War Production on Parade—Report For June (p. 17-30)

THE FINANCIAL POST

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Nation's Business

Budget Challenge For Ottawa Also

Finance Minister Ilsley's new budget is courageous and realistic but there is an amazing contrast between the way the war finance problem has been tackled and the pussyfooting and shillyshallying on the selective service aspect, for example, of an all-out war effort.

Much of the success of the policies set forth depends on their willing acceptance by Canada. Because of the extreme burdens now imposed, it is of paramount importance that the present administration make Canada's war effort really total and efficient. Making such sacrifices people will demand that they not be made in vain.

The Ilsley budget is courageous because it places on people and businesses tax loads which only months ago were undreamed of. It is courageous because it attacks directly what is today the most serious inflation problem: the war swollen incomes of the lower income groups. For years, men of wealth have paid very heavily. Wartime budgets have enormously increased the load on the upper and middle income brackets.

Under the tax rate prevailing until this new budget, the group earning over $2,000 a year constituted 58% of the income tax payers. They paid 97% of the total tax. The group earning under $2,000, constituting 42% of the taxpayers, paid 3% of the taxes.

In the main, the greatest wartime gains in earnings have been in the lower income groups. From this group, too, has been coming the most dangerous inflationary impulse because of a natural but, under wartime conditions, damaging eagerness to spend the new surplus in ways that compete for goods and services with the war effort and which run counter to other inflation controls.

Mr. Ilsley is courageous in letting wisdom override political comfort. Since the compulsory saving aspect does little to relieve the pain of present tax burdens, the following calculations are based on total tax payable. The figures are for married persons with two children.

The tax on an income of $1,250 has now been increased 45.5%. On $2,000 income, the increase is 258%. On $3,000, it is 211%. There comes the dividing line. For incomes above that figure the percentage increase declines. At $5,000, the increase is 126%; at $10,000, it is 68% and at $50,000, it is a 30% increase.

The compulsory savings proposal follows the British system, but at a much stiffer rate. It is little less painful for the present, no less destructive of present standards of living, because of the fact that the rebate should provide individuals and the nation with a very useful cushion for the postwar reconstruction period.

In any case, it does serve the ends of fiscal policy in cutting down spending of surplus income; in helping to balance the books.

* * *

THE BUDGET MUST BE EXPLAINED

The weight of tax on the lower income groups and the manner in which it is collected now imposes on the government a specific and continuing duty of explaining clearly and repeatedly why the tax burden must be so heavy.

It must be made perfectly clear that these new payroll deductions are taxes and compulsory savings; that in collecting them for the government, the employer is acting solely as bookkeeper.

A second point that must be explained to Canada's workers is that wages and salaries cannot be raised to meet the new burden. There will be many such demands; many complaints, "But we can't get along; we can't meet our minimum needs."

Answering that plea with increased income would frustrate the whole purpose of the budget. Any passing along of the load simply defeats the whole policy of self-sacrifice. Said Mr. Ilsley:

"I am asking that there should be by every individual the most rigorous economy. Every dollar we spend means that someone is working for us. Let us not spend it if that someone might instead be working for victory. I am not asking that anyone's standard of living should be reduced below the level of personal efficiency and decency. I am asking that it should be no higher than that level."

* * *

"OTHER THAN ECONOMIC MOTIVES"

Mr. Ilsley many times in his budget speech expressed great concern that democratic incentives be preserved to keep flowing the supply of war materials. But he said; "We can and must rely upon other than economic motives to a large extent these days."

Some tentative estimates of what the new taxes mean to the earnings of various firms are published on page one. They show how hard the new taxes smash at earnings; how many companies will, under the new rate, be forced to make drastic cuts in dividend payments; how much "other than economic motives" will have to keep up the spirit of enterprise.

Mr. Ilsley confesses that his tax plan discriminates against holders of equities in favor of those whose income comes from other sources, such as interest.

While he admits a belief that this discrimination has gone far enough, he justifies his general plan on the grounds that the rate of expansion in business will hereafter be slowing down; that some civilian industries will have declining production or turnover.

"Consequently," he says, "business in general no longer needs to retain substantial amounts of their current profits for reinvestment in working capital and can afford to pay a large proportion to the Treasury."

And above all, Mr. Ilsley holds out his postwar refund plan as justification for the present demand; protection for the individual business and for the community as a whole during reconstruction. This scheme provides for the return, very roughly, of some 20% of the excess profits collected.

* * * *

NO EVIDENCE OTTAWA CO-OPERATING

Strangely lacking in the budget is evidence that the Government is planning to do what it asks of everybody else: achieve "the most rigorous economy."

Canadians will shoulder the burden willingly if they can feel sure the money is going to be well spent; if they are confident that ordinary expenditures are cut to the bone; if Ottawa shows proof that it will eliminate waste; will exercise the utmost frugality in all its ways.

Every Canadian can cite many instances of gross waste in our civil administration and in enterprises connected with the war effort. Mr. Ilsley budgets, not for a decrease in the ordinary costs of government but for an increase of roughly 10%.

Waste must be eliminated. Ottawa must do as it insists all others do.

Certainly, Mr. Ilsley still clings fast to the pay-as-we-go principles enunciated in his first war budget. Certainly his is a mighty effort to keep Canada's financial structure intact and avoid the disasters of inflation.

How far mathematics and fiscal principles depend for success on the human factor is a vital consideration.

The Parliament Hill spectacle of the past few weeks featuring Canada's wartime prime minister in the role of stellar political acrobat is not one which creates a national frame of mind which trustingly and without question accepts such painful sacrifices.

Sound as Mr. Ilsley's mathematics and fiscal policies may be, there will be a much less generous reception and much less willingness to shoulder the new burdens than if the government of which he is a member acted in other matters, such as the conscription issue, with decision and walked in dignity.

Steel Output To Hinge on Scrap Blitz

Wartime Salvage Starts Drive to Collect Half Million Tons of Vital Scrap

OTTAWA.—Wheels are beginning to turn in Canada's newest and most critical "blitz," the nation-wide drive to collect the 500,000 tons of steel scrap needed to keep Canadian steel plants rolling during the next 12 months.

The scrap blitz will be in charge of Wartime Salvage, Ltd., newly-formed government agency responsible to the Minister of Finance and operating through Wartime Prices and Trade Board to finance the collection of scrap on a basis which will permit its collection in all parts of Canada irrespective of distance from steel plants or transportation facilities.

Unless this effort can procure steel scrap at three to four times the rate it was made available in pre-war days, the war effort is threatened at its most critical point—steel production. High grade war steels require a certain percentage of scrap to be mixed with the pig iron which is the chief ingredient of manufacture.

In peacetime Canada required something approaching 250,000 tons of scrap annually. To-day we need at least 500,000 tons. In the past we have been able to turn to the United States for a large part of that supply. Now, that source (by mutual arrangement) has been entirely cut off. A month or so back the U. S. authorities informed Canada that she could no longer count on U. S. scrap exports to feed Canadian steel mills.

How serious this is, may be judged by the following figures indicating scrap imports from the U. S. in the past four years. (Since accurate trade figures are not available at present the amounts indicated for imports in the past two years are only approximate):

Canada's Steel Scrap Imports from U.S.

1938	90,000 tons
1939	150,000 "
1940	200,000 "
1941	250,000 "

Now Canada must sink or swim. Somehow a way must be found to

(Continued on page 2, col. 1)

Aircraft Firms Set Up Board

Personnel relations of the Candian aircraft industry are being regularized through an Order-in-Council setting up the National Industrial Executive Committee. To this board is delegated the responsibility of directing and handling personnel problems for the industry. Its members will include representatives of the manufacturing companies.

No policy has been laid down as yet. At the moment preliminary steps are being taken to set up the organization, determine policy, etc.

J. E. Labelle, president of Canadian Vickers Ltd., is chairman of the board and Spalding Black, of Montreal, is secretary-manager. E. Hirst will continue as director of personnel, reporting direct to the Committee.

The Blitz Budget's Author

—Photo for The Financial Post by Karsh.

Tall, sandy-haired and serious is Hon. James Lorimer Ilsley, minister of finance, who has just handed Canadians the stiffest taxes in their history, driving home the fact that nobody can escape sacrifice in total war. A Nova Scotia lawyer, 47 years old, Mr. Ilsley has been a member of Parliament since 1926, cabinet minister since 1935. Although it has fallen to his lot to budget for greater expenditures than any other Canadian, he's thrifty by nature, the only member of the government who doesn't drive an automobile and is a regular patron of the street cars. He believes in putting something aside for a rainy day; will see, through his compulsory savings measure, that all his countrymen have a postwar nest egg.

How the New Tax Works for Sample Firms

The following calculations, which can only be approximations at best, indicate the extent of the threat to earnings and dividends which the new tax rates will be. The possible tax refund is included in estimated taxes in each case due to impossibility of making a separate calculation and the likelihood that most companies will not regard this refundable portion as available for dividends.

	Actual 1941 Net Profit $ 000	1941 Income Taxes $ 000	Inc. Taxes at New Rate $ 000	1941 Net at New Rate $ 000	Earned per Com. Share Actual 1941 $	Earned per Com. Share at New Tax Rate $	1941 Divs. Paid $
Aluminium Ltd.	16,014	31,417	39,642	7,789	20.81	9.75	10.00
Amalgamated Elec.	106	110	184	31	1.25	0.37	0.50
Bell Telephone	7,303	6,242	8,481	5,064	8.77	6.08	8.00
Bralorne Mines	1,524	640	640	1,524	1.22	1.22	1.20
B. A. Oil	2,911	2,628	2,969	2,580	1.05	0.93	1.00
Cockshutt Plow	467	730	1,141	56	1.55	0.18	0.50
Cosmos Imperial	230	352	422	160	2.30	1.60	1.35
Dome Mines	3,846	1,762	1,762	3,846	1.98	1.98	1.50
Dom. Foundries	1,096	850	1,051	895	2.80	2.45	1.25
Dunlop Tire	184	490	568	106	2.52	1.14	0.50
Hollinger	5,420	2,114	2,114	5,420	1.10	1.10	1.10
Page-Hersey	917	1,847	2,011	671	5.26	3.85	5.00
Penmans	348	590	691	247	4.38	2.84	3.00
Shawinigan	2,320	2,116	2,380	2,056	1.06	0.95	0.90
Simpsons Ltd.	1,027	1,228	1,595	660	*9.13	5.86	6.50

* Preferred stock.

Spinney Confident Loans Will Continue Successful

By STAFF WRITER

OTTAWA.—The budget speech is just another chance to put the National War Finance Committee on its mettle according to its dynamic chairman, George W Spinney.

Quoting in part from a personal message sent this week to all provincial chairmen, Mr. Spinney said: "The budget speech is a challenge to this committee and I have no doubt whatever that we shall meet it successfully without fear or equivocation . . . our task is now more difficult because the job of financing the war has become so tough that anything like halfway measures will no longer do.

"The institution of the returnable income tax may provide a hideout for many people who will be tempted to take the attitude that the government has provided a yardstick of what people must do in the matter

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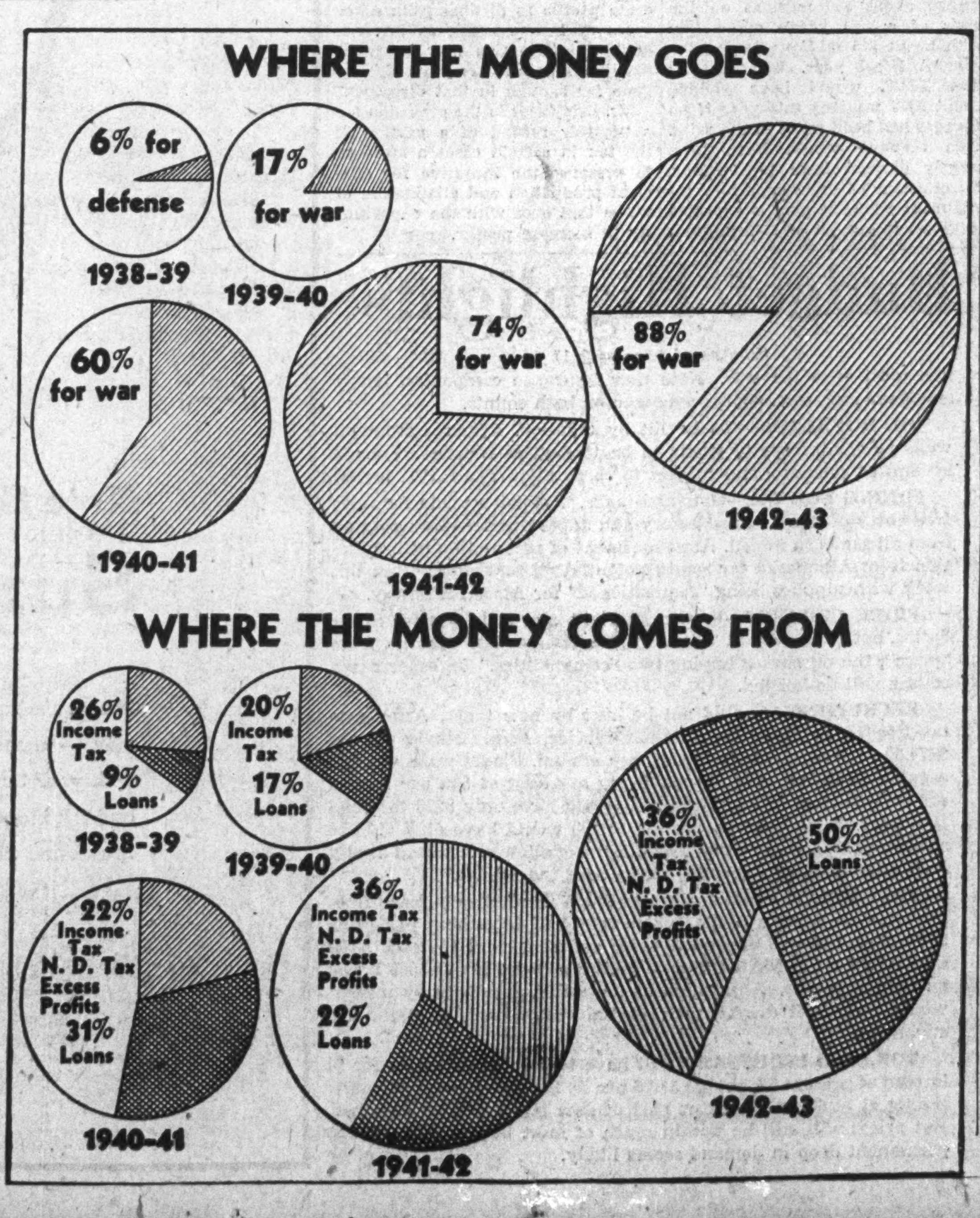

Famous Author Starting Series In Next Post

Beginning next issue The Financial Post will publish eight weekly articles, based on "This Age of Fable" by Gustav Stolper.

"This Age of Fable" is one of the most talked of books of the year. It was written by a famed European economist, now a refugee on this continent.

The series of articles will discuss with refreshing candour and an abundance of factual material, some of the myths that have become the currency of much present-day political thinking; the myth of "planning"; the myth of the German "miracle"; some myths about Communism.

The author has brilliant and inspiring answers to the questions he raises. For Canadian freemen, for Canadians who are serving democracy and free enterprise, this is an outstanding and timely series of articles.

"This Age of Fable" has not been available for periodical publication but because of its outstanding importance The Post has made special arrangements to bring the eight most vital chapters to its readers during July and August.

Voluntary Saving Vital in New Plan

Ilsley Budget Success Banks Heavily on Continued Flow of Loans — On Results Depends Success or Failure of Sacrificial Levy

By KENNETH R. WILSON

OTTAWA.—The grim and sobering reality of a "pay-as-you-go-as-far-as-it-is-practical" war finance policy came home this week to every Canadian citizen in what is the most courageous budget ever introduced in this or perhaps any democratic country.

Nub of the Ilsley problem was how to meet war costs estimated at $6,300 a minute and at the same time syphon off a rising tide of inflated consumer purchasing power. Total governmental costs of $3.9 billions are divided $3.3 billions for war expenditure and the balance for other governmental costs. The war costs alone amount to $23 a week for every Canadian family. The corresponding figure for last year was $2.4 billions of $16.80 per family per week.

Leaving aside adjustments and deductions due to the fact that new taxes will not be effective for a full fiscal year, Mr. Ilsley asked Canadian citizens (apart from corporations) to add $300 millions a year to their taxes and to increase voluntary savings by $600 millions.

These additional burdens represent a 53% increase over what existing taxes and savings would have yielded in the present year.

The increased tax burden includes $125 millions of refundable savings or compulsory taxes an innovation in Canadian tax policy.

What the new figures represent in terms of a full 12-month period is approximately as follows:

PERSONAL TAXES AND SAVINGS
(Billions of Dollars)
For 12-month Period

Taxes		Income over present yield from taxes or savings
Income taxes	525	115
Indirect taxes	722	66
Interest, divs	28	nil
Succn duties	18	nil
Refundable	125	125
Voluntary svgs	1200	600
Total	2618	906

A study of this table reveals the most vulnerable point in the Ilsley budget.

Will They Still Subscribe

In order to "sweeten" an income and defense tax rate which reaches virtually confiscatory proportions at the highest income brackets, Mr. Ilsley introduced the principle of refundable taxes both for individuals and corporations. In a full fiscal year the net return to the treasury of this refundable taxes levies on individuals is estimated to net $125 millions. The actual yield in the current fiscal year is placed at $80 millions. What remains to be seen is whether or not, under these burdensome personal income taxes with their compulsory saving proviso, Canadians can still be persuaded to increase voluntary savings by $50 millions a month and double the

(Continued on page 4, col. 1)

Canada Bears $500 Millions Exchange Load in 1941-42

Despite the Hyde Park agreement, Canada apparently absorbed a burden of some $500 millions of foreign exchange in the past fiscal year, budget figures indicate. "On the cuff," the Dominion furnished Britain some $685 millions of credits, over and above repatriation of British-held securities, etc. In turn, Canada had to draw on the U. S. for a $190-millions deficiency in import-export trade.

Given by Mr. Ilsley in the budget speech were close figures on the transactions with Britain. Also given were partial figures on trade with the U. S., total imports and the amount by which reserves of gold and U. S. dollars were depleted during the year. Balance of the account with the U. S. had to be settled by merchandise exports, new gold production and drawings under the Hyde Park agreement.

Approximate figures for these indicate that the Hyde Park drawings were roughly $190 millions.

Mr. Ilsley estimates a possible $500 millions of uncontrollable imports of war materials from the U. S. in the 1942-43 fiscal year, presumably the maximum extent to which Canada may have to lean upon Hyde Park aid in the year. Estimated figures for the two-way balance follow:

	$ Millions	
Exports to Britain	1,100	
Less: Paid by private security repatriation	48	
Paid by govt. security repatriation	365	
Balance: Net aid to Britain	......	685
Imports from United States	1,100	
Less: Paid out of currency reserves	50	
New gold production	200	
Merchandise exports	660	
Balance: Net aid from U. S.	......	190
Canada's 1941-42 exchange burden		495

Budget Highlights

ALCOHOLIC BEVERAGES—All hard hit by new excise duties and tariffs. Malt tax up 33%; spirits up 28%; wine tax up 25% Canadian brandy least hit with jump of 16%. Last jump in liquor taxes (1939) was absorbed by rapidly rising consumer spending power. New taxes, if carried through to consumer will find no such favorable market.

BASE METAL PRODUCERS—Continued depletion allowance of a third means a proportionate decrease in any extra tax companies to pay. Mines which have expanded under government tax deals in best [illegible] to retain considerable proportion of profits but net will [illegible] be lower. Postwar tax refund of 20% of 100% excess profits tax leaves some incentive to expand production.

NEW BASE METAL PRODUCING MINES—Given extended tax concessions to stimulate bringing in new producers. Corporation tax exemption of 18% expiring Dec. 31, 1942, to be replaced by similar but greater exemption under excess profits tax.

GOLD PRODUCERS—Continued allowance of third of operating profits as depletion serves to soften any higher tax impact. Some companies may build up postwar tax rebate where "100% of excess" tax rate applies. Tax on most older producers appears substantially unchanged.

STRATEGIC MINERALS—New producers to get increased tax exemption aid. Three-year exemption from the corporation income tax to be replaced by a similar but greater exemption under the E. P. Tax. Personal income tax exemptions for prospecting, announced previously, are additional.

DIVIDENDS TO SHAREHOLDERS—Expected to be hard hit in great number of leading stocks, including many blue chips. In many cases current dividend will not be safe unless covered by wide margin (at least 20%) by earnings of standard period (1936-39 except in special cases).

LIFE INSURANCE—Stipulation that deductions will be allowed from the compulsory savings levy only for premiums on existing contracts may hit life sales, particularly in lower income brackets. Non-insured single man, earning $2,000 now has to absorb $261 higher taxes, of which $160 is compulsory savings, before taking on new savings contracts.

HOME BUILDING—Appears in same situation as above, savings deductions being allowed only in respect of existing mortgage principal repayments. Inference is none of the amount earmarked for "minimum savings" will be available for new home construc-

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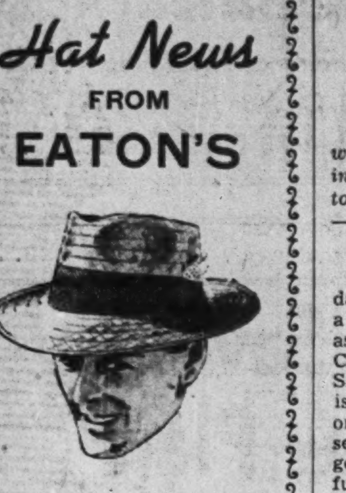
Hat News FROM EATON'S



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Why Libya?

Can These Be The Explanations?

By JOHN BAYNE MACLEAN

"You cannot get out of a man what God Almighty didn't put into him. You must suit the man to the job; not the job to the man."
—Frank A. Munsey.

* * *

A letter from Beaulieu, France, dated March, 1921: "We have spent a month at hotel in Cannes in close association with a group of British Cabinet Ministers. All guests of Sir Ernest Cassel, the War Minister, Worthington Evans, being one of them. If they are representative of the men who are to govern your country, God help the future of the British Empire."—Lewis Nixon.

Mr. Nixon was an able United States naval officer and builder of record-making battleships. He was turned down by the Canadian Government when he sought to establish in Canada (on the urgent plea of Lord Kitchener) a great plant to make powder for the British army. He went to New Jersey, founded the town of Nixon and a plant which supplied the British and French governments with over $100,000,000 of much needed powder. He was an intimate friend of the late King Edward VII and a fellow-student at the naval college, Greenwich, with the late King George.

* * *

A letter from Palm Beach, dated April, 1942: "I fear the future, having a few years ago at Cannes, France, seen much of the men at the head of the British Government. Chief among them was Hore-Belisha, later Minister of War."

I do not feel at liberty at the moment to give this man's name. He is a Canadian, but has for many years resided in the U. S. A. and been closely associated as partner with one of the largest United States producers and world traders. He was selected by Sir Joseph Flavelle to fill a very important place in the last war.

* * *

In the Great War and since, able British and Empire officers were almost invariably blamed by the controlling politicians for the mistakes for which the latter were themselves responsible.

The War and Business . . .

Beets and Japs Mix Badly

Canada's efforts to increase sugar beet production, at least in Ontario, are proving unsuccessful. Acreage is low, much less than had been hoped, due primarily to delay in determining the contract price and uncertainty in guaranteeing labor.

Then came wet weather, preventing proper cultivation until the season was late and at the same time encouraging growth of weeds. The government brought in Canadian-born Japanese from British Columbia to aid in the field work in sugar beet-growing territories.

Farmers, however, never any too enthusiastic about the Japs, now are reported to find many of them both unskilled and unwilling. The Japs are being paid the same contract price per acre as any other sugar beet workers and are boarded in camps or groups under government supervision. They have to pay for their board but at a rate considerably less than individuals can provide their own room and board. The result is that Japs who are able and willing to work can make a very good thing out of their summer's work.

* * *

He's No Goebbels

Post informants in Washington point out that the Elmer Davis appointment as chief of war information was a very narrow squeak victory over certain elements that wanted the holder of this vital post to be a "Goebbels" who would serve out some war news, but who could be depended upon, at the same time, to propagandize for social and economic revolution.

Responsible observers say there is no such danger whatever in the veteran Elmer Davis.

Canada is vitally concerned in this because of the amount of radio and reading matter which crosses northward over the border.

* * *

They Wouldn't Listen

Guessed in knowing quarters as one of the big reasons why Canada's McNaughton is now being mentioned for supreme command is the disastrous failure in Libya and the deafness of ordnance chiefs to long McNaughton arguments that better guns, especially with stepped up muzzle velocity, were needed.

* * *

The Slogan War

More than half a million men and women workers in American war plants have taken part in U. S. slogan contests which are reported to be "one of the most successful features" of war production drives.

Some committees (Labor-Management) run weekly or monthly contests. Samples: "T.N.T. today, not tomorrow"; "Speed the wheels to beat the heels"; "Fight 'em in the factory"; "Jappy, we'll knock you slap happy"; "The Nazis cheer each idle gear"; "Production quotas must be beat to knock the axis off its feet."

* * *

They Don't Like It

Bitterness about centralized and bureaucratic control from Ottawa is waxing very high in certain sections. The charge is that there is extraordinary deafness to local conditions and to local claims. One objector cited the fact that once London tried to run the American colonies by remote control. "And look what happened," he said.

* * *

Cash in Co-operation

Learning early in life that the right type of co-operation pays dividends are 13 students at the University of Saskatchewan. Seven months ago they organized a co-operative boarding house which they managed entirely by themselves at a cost of about $25 per person. The lesson in thrift has just paid off in the shape of a $10 dividend for each member.

* * *

Foul Tip

It's against the rules now to talk about the weather over the air. However, there is a lot of baseball being played all over the country and it wouldn't seem to be much of a trick for an Axis submarine to park a short distance off the coast and listen to the many nightly broadcasts of ball scores put out by powerful coastal stations. They never say why a game is postponed over the air now but it's a safe guess that it wouldn't be for a snow storm.

* * *

Plumping For Plumpness

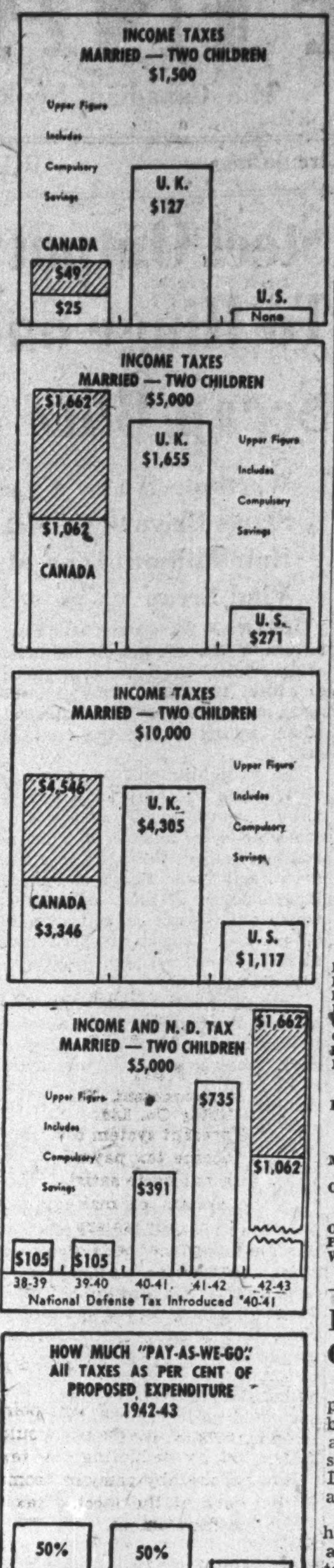
Manufacture of steel for Canada's corset industry has been cut by 30% to make available 60 tons of highly finished steel for the making of airplane motor and army vehicle springs. Coupled with the shortage of rubber for girdles this behind-the-scenes information is highly indicative of the grim treatment war is handing out to the fat of the land.

* * *

No Need to Worry

Canadian lovers of Spode, Royal Doulton and other fine English chinas need not be too desolated over recent orders curtailing British china shipments to this country. Based on 1941 exports a cut of 25% was imposed May 1 while a further restriction of 15% begins Aug. 1. However, last year was a good one for British china exporters to Canada and even the lower quota will mean continuance of a fairly substantial flow of china from the Old Country. Significant is the fact that the china industry has been favored in British export licenses up to now as an industry using no critical material and which employs skilled craftsmen not easily assimilated to war industries.

Box Score On New Taxes



Manufacturers Of War Material
BORROW TO SPEED PRODUCTION

Manufacturers, who need funds to increase their speed in fulfilling Government contracts, are invited to discuss their requirements with the manager of our nearest branch office.

Borrowing to pay wages or to buy raw materials for making war supplies of great variety is an everyday transaction at the Bank of Montreal.

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Dominion Taxes Insurance Prem's

A tax of 2% on premiums collected by life, fire and casualty insurance companies announced by Hon. J. L. Ilsley in his budget speech replaces taxes previously issued on these companies by the provincial governments.

When the provinces, at the request of the Dominion, recently vacated the personal income and corporation tax fields one of the conditions was that the Dominion make up the lost revenue to the provinces. To help the Dominion meet these payments the Dominion has imposed the new taxes. They are in addition to taxes already levied by the Dominion on fire and casualty insurance companies.

Langston Named Head Canada Iron Foundries

W. J. Langston, formerly vice-president and general manager, has been appointed president of Canada Iron Foundries Ltd. in succession to the late C. L. Jobb. Mr. Langston retains the general managership.

J. H. Dougherty, sales manager, has been appointed vice-president and elected to the Board of Directors.

M. S. Grogan, secretary treasurer, has been appointed vice-president of the company.

Treat Yourself to a Restful Vacation

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Appetizing food; cool, restful rooms; golfing; riding; fishing.

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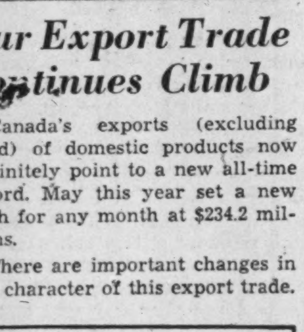
The PRESTON SPRINGS
PRESTON ONTARIO

Our Export Trade Continues Climb

Canada's exports (excluding gold) of domestic products now definitely point to a new all-time record. May this year set a new high for any month at $234.2 millions.

There are important changes in the character of this export trade.



Largest increases come in animal products, chiefly meats, iron and its products, practically half of which is automobiles and parts (mostly military). Agricultural products, chiefly wheat, are down in May.

Out of total exports for the first five months of 1942 of $895 millions, the U. K. took $343.7 millions, the U. S. $299.7 millions. Exports to Russia have risen from $2,000 in 1941 to $15.5 millions this year. British South Africa and Brazil are the only important customers buying less so far this year than last.

Concessions Made On Death Duties

Two concessions regarding succession duties are made by Finance Minister Ilsley in his budget address. He announced two exemptions:

Charitable gifts up to one half the estate will be allowed to pass entirely tax free where previously they were subject to one half the ordinary rate chargeable. Representatives of foreign governments will be allowed exemption on a reciprocal basis.

Mr. Ilsley indicated that other minor changes would be made to clarify the law and make its administration easier.

Budget Hits Earnings Hard

New Scale Involves Drastic Readjustment

Canada's revised excess profits tax is a definite threat to continued dividend payments at prevailing rates for many companies. Company after company, if it had been paying dividends on 1941 profits at the rate now effective, would have failed to cover dividends actually paid.

Mr. Ilsley recognizes the possibilities of wholesale dividend cuts in his speech when he says "this limitation on the amount of profits which may be retained may eventually require some corporations whose profits or dividends have increased substantially in recent years to reduce their current rates of dividends."

Under the new tax set-up, no corporation will be permitted to retain more than 70% of its pre-war standard profits—that is the average of the profits earned in the years 1936-39 inlusive.

The rate of tax on profits in excess of this standard has been raised to 100% from the former 75%. There is included, however, a provision for a postwar refund of 20% of the excess profits taken for companies which have to pay at this 100% rate.

Point where minimum excess profit tax rate of 10% of total profits ceases to apply and the maximum rate of 100% takes effect is whenever company taxable income is 117% or more of its standard profits. This compares with 156% of standard under last year's rates.

Where taxable income is 117% or less of standard profits a company pays total taxes of 40%, made up of 18% regular corporation tax, 12% as a flat rate of EPT and 10% as the remainder, or a total of 40% of total taxable income. Above this 117% of standard profits, the company pays 18% regular, plus 12% as a first stage of EPT and 100% of the amount by which profits exceed the standard after deducting the 30% already applicable.

In estimating the amount of refund, a company starts with this 177% of its standard profit. Its refund will be 20% of any profits above this 117% of standard as all profit above this amount is taken as tax under the 100% basis.

Mr. Ilsley phrases this refund as "20% of the amount of profits in excess of the amount at which the 100% tax on the excess after the deduction of corporation income tax and the 12% flat rate equals the 10% tax on the total profit." This point is 117% of standard profits which is where the 100% rate of EPT applies and everything above this is taxed when the new 100% rate becomes effective.

The excess profit tax rate structure has been altered considerably. Now the basic rate becomes 30% for corporation income tax, made up of the regular 18% and a flat 12%, both payable on total taxable profits. Then a company is to pay either 10% of its total profits or 100% of its excess profits, whichever is the greater, in each case after deduction of the regular 18% rate and the 12% rate.

This provision replaces the former E.P.T. which provided for either 22% of the total, after deducting the regular 18% rate, or 75% of the excess whichever was the greater. The effect of the change is to substantially increase the tax liability of all companies whose profits have increased by more than one sixth of their standard profits.

The new tax rate is to apply from July 1 this year. To ensure early payment of taxes, the treasury is requiring monthly installment payments on acount of the tax liability, including the refundable portion. Payments made before the end of the company's year will have to be based on earnings of the preceding period unless evidence can be submitted that earnings are substantially altered.

The tax exemption designed to encourage mineral production, previously contained in the Income Tax Act, is to be transferred to the Excess Profits Tax Act. The present exemption expires Dec. 31, 1942. It is proposed to grant a generally similar exemption under E.P.T. where the tax relief is greater.

Another amendment affects companies with profits of $5,000 or less. These companies had been exempt from E.P.T. but a proposed change withdraws this exemption in so far as the new 12% rate is concerned which applies generally to total profits of corporations.

Estimates Revenue Changes

Mr. Ilsley expects to get about $58 millions additional revenue from the E.P.T. changes for a full year. Because the installment payment plan goes into effect July 1 he expects about $20 millions of this to be received in the current year. In addition to the actual revenue to be received he estimates the refundable portion of the tax will realize about $60 millions on the basis of a full year's application with about $25 millions during the current fiscal year. He estimates that E.P.T. would have yielded about $275 millions this year if no changes had been made in the rates. This revenue would have been largely derived from 1941 profits. Introduction of the compulsory installment payment plan is expected to result in receipt of $145 millions of this sum in the current year without allowing for any rate changes.

Application of the installment payment plan to the regular corporation tax is expected to increase revenues from that tax in the present fiscal year with the same rates prevailing of $105 millions. This sum is of course merely revenues that will be received in advance of customary periods due to the new system of collection.

Business At Peak

Mr. Ilsley states that rate of expansion of business will now be much less than it has been up to now. For many civilian industries, volume is likely to decline and even in war industries near-capacity rates of production prevail. Thus, he says, businesses no longer need to retain substantial amounts of their current earnings for reinvestment as working capital and can afford to pay more to the treasury.

He believes that higher taxes should affect the tax on excess profits rather than profits that have not increased over prewar levels.

"Already," he says, "the tax on profits that have not increased is heavy when we bear in mind that those profits when distributed as dividends are subject to all the personal income taxes in addition to the corporation taxes. This involves, in effect, a discrimination against income earned in the form of corporate profits as distinct from other types of income, such as interest. Such discrimination may be justified but I believe we have already gone far enough in that direction."

Mr. Ilsley sees in the provision for a postwar refund of a portion of the tax in certain cases a measure to preserve the incentive for efficient production and elimination of waste that goes with the opportunity to increase profits.

Steel Output To Hinge on Scrap Blitz

(Continued from page 1)

provide 40,000 to 60,000 tons of scrap a month in order to maintain essential war production. This is the job which Wartime Salvage is undertaking to organize.

An agreement has just been reached under which all grain elevators in Manitoba, Saskatchewan and Alberta will pool their resources to purchase scrap metal from farmers for Wartime Salvage.

The elevators have about 1,000 points of contact at which to receive scrap. The farmers will deliver the scrap, and the elevators will pay for it at a flat rate of $7 a ton, in paymaster's orders.

No time is being lost in instituting this programme, so as to give farmers a chance to make delivery before they get busy with the harvest. It is hoped that the elevators will take in 100,000 tons of metal in the next six months. Incidentally, in the case of a big piece of scrap which a farmer is not able to bring to elevator himself, such as a very heavy boiler, the elevator will make arrangements to have it broken up so it can be loaded.

Seek Proxies For Loew's London

Proxies for the adjourned special meeting of shareholders of Loew's London Theatres Ltd. June 26 are being sought by C. B. Sheppard and G. C. Williams. The letter questions the advisability of giving an exclusive agency to negotiate sale of the company's assets when it is understood that there are at least three parties interested who can deal directly with the company.

In notice calling the meeting directors recommended that Midland Securities be appointed sole agents for sale of the company. It was believed that more than $250,000 could be secured by Loew's London for its assets.

Spinney Confident Continued Success

(Continued from page 1)

of lending and that having complied with the law one's duty is completely discharged.

"This is a fallacious argument which the national committee will meet head on. We will conduct our war job with the same supreme confidence which featured the first and second victory loans. Firmly believing that the people of Canada particularly in the light of unsatisfactory news from abroad will recognize their larger duty and meet it with courage and determination."

ACTIVELY SERVING THE FORCES OF PRODUCTION

ONTARIO RESEARCH FOUNDATION

43 QUEEN'S PARK, TORONTO

Budget Highlights

(Continued from page 1)

tion until after the war. Note that insurance companies, heavy mortgage investors, appear squeezed on both counts.

OIL ROYALTIES—To be hit by taxation. Revenue from oil wells paid into royalty trusts to be treated as revenue received by limited company and subject to corporation and E.P.T. levies.

MINING FOR OIL—Gets assistance. Provision made for duty free entry of items of machinery and apparatus for extracting oil from oil sands so mined. Announcement of resumption of production from Athabaska tar sands; potential oil source, reported this week with supplies being "requisitioned" for Alaska Highway.

PRICE CEILINGS—Punctured right and left by new excise duties, but preserved in name by separating "tax" charge from "price", the purchaser buying two "commodities." In other cases, ceiling will be hoisted.

RECRUITING—Should not be hurt by new taxes. Army pay, tax-free in ranks or on overseas service, leaves single private $474.50 of free spending money per annum. Single male worker, earning $1,000 per annum and living at a cost of $50 per month, far below actual in many centres, would have only $228 to spend in a year. Same worker, earning $1,500 would have only $533 to spend a year, and the $50 per month living allowance would hardly look after clothing expenses, all free for the soldier.

SOFT DRINK FIRMS—Face increase in retail pop price from six to seven cents a bottle, which may add to present price disadvantage, but will depend to large extent on how **CANDY AND CHEWING GUM MAKERS** deal with the excise tax of 30% levied on their products. Absorption of the candy-gum levy by makers would place soft drinks, their partial competitors, at major disadvantage.

TOBACCO INDUSTRY—Will have to sell 73 cigarettes for $1 instead of present 88, charge $1.76 per lb. for pipe tobacco formerly selling at $1.60 unless all or part of new levies can be absorbed. But prices will still be within reach of most buyers, little if any permanent drop in demand seems likely.

Note Simpson's Big Line-Up of

Summer Shoes

Simpson's has an outstanding selection of Summer shoes for men — shoes you'll wear with your sport clothes as well as with your Summer business suit. Light weights, semi-brogues and full brogues. Lined or unlined ventilated styles. All-white, brown-and-white or all-brown. Sizes 6 to 12. Pair $5 to 10.50

Simpson's THE STORE FOR MEN STREET FLOOR

This week The Financial Post asks —

Would you prefer having your income tax deducted regularly from income at the source?

The Financial Post question is wired to a group of Canadians approximately one week prior to publication of the replies. It will be noted that the question asked this week did not provide for all the features incorporated in the new budget.

G. R. G. Baker

Taxation specialist, Dominion Mortgage and Investment Association.

In my opinion it makes little difference so far as personal budgeting is concerned for provision has already been made to pay in twelve installments. From the viewpoint of an employer, it would only add one more onerous duty to others already undertaken on behalf of government bodies. From the national viewpoint, it might prevent accumulation of substantial arrears, but the tax department would have as much work in checking returns, for a flat levy of a minimum tax would be imposed on all incomes and the taxpayer required to file supplementary returns and many cases calling for a rebate application would arise.

• • •

J. W. Berry

General manager, Guaranty Trust Co. of Canada, Toronto.

I would prefer to have my income tax deducted regularly at the source. Personally, I recognize the necessity of providing for income taxes and would welcome an orderly progressive discharge of this obligation.

From the national viewpoint, I think income tax deduction at the source equally preferable in that such a plan would firstly, provide the government with a continuous flow of revenue to be used in its pay-as-you-go plan; secondly, would simplify collection methods and eliminate the possibility of arrears and loss. Thirdly, it would help curb purchasing power which is vitally necessary if living costs are to be controlled and income directed into those channels which provide the sinews of war.

• • •

Hart Buck

Statistical assistant to Gilbert Jackson, who was professor of economics, University of Toronto, and former adviser to the Bank of England.

I should think that regular source deduction of all taxes on income woud be a convenience; to the taxpayer in taking the nuisance of payment out of his hands; and to both taxpayer and country in preventing the backing-up of consumer purchasing power (chaining-off of which is the main purpose of war taxation) during the year and obviating heavy bank borrowings and asset liquidations at the due date. Under graduated rates it would be feasible only in respect to salaries and wages, but these constitute possibly two thirds of the national income in Canada.

• • •

Austin H. Carr

Secretary-treasurer, The Dominion Association of Chartered Accountants.

There is an advantage to the government in having a steady stream of income tax revenue throughout the year. Whether this can be more effectively and economically attained by income tax deducted regularly at the source or by the present methods of payment — that is, by twelve monthly installments or payment at the time of making the annual income tax return—is a problem in administration to be solved by the income tax division and employers. The present method of monthly installments is in my opinion a commendable arrangement and its widespread adoption should be encouraged. Income tax deduction from wages operates in Great Britain. I am, of course, not speaking officially for the members of the Dominion Association of Chartered Accountants, but as an individual.

• • •

H. R. Drummond-Hay

Winnipeg, on the executive of several western Canada mining and other enterprises.

Yes, I think income tax should be deducted regularly at the source so far as is feasible. This would be difficult where income is received from more than one source. I think this course preferable from both a government and individual viewpoint. I think income tax should be levied on a three-year average as in the case of varying incomes it would make stability and be more equitable.

• • •

J. Ingram

Secretary-treasurer, Anglo-Huronian Ltd.

I am entirely in favor of income tax deduction at the source. That's the only economical way any taxpayer or employee can pay his tax without undue hardship because it is always a hard thing to pay tax on last year's income after it has been spent. I think the deduction should be a percentage deduction from the net taxable income, not the gross, otherwise too many different rates would have to be worked out.

Elsewhere are shown details of a proposed plan of income tax deduction at the source and how it would work out. A relatively small balance of tax still owing at the end of the period would not constitute any undue burden to the taxpayer.

At Anglo-Huronian, we have had a voluntary income tax deduction system since January, 1940, and we have found it to work out very satisfactorily.

• • •

G. M. Ferguson

Secretary-treasurer of British Columbia Packers Ltd. and on the directorate of various other west coast enterprises.

I would definitely prefer that income tax be collected at the source:

First from a personal viewpoint to assist in valuing the spending power of remaining income and to simplify and unify the present method of voluntary monthly payment.

Second, and most important, from a national viewpoint to impress on citizens the extent of taxes to be collected from them.

To assist the Wartime Prices and Trade Board in reduction of luxury spending and to give the government more assured and steady income. Accounting and collection experience already established by collection of National Defense Tax forms the basis for the method of instituting collection.

• • •

Major A. E. Jukes

Vancouver, heads brokerage house of same name; is on the boards of many Canadian companies.

I do not believe it practicable to deduct income tax at the source excepting the defense tax and investment surtax.

• • •

Gordon Kerr

Chief Accountant, The MacLean Publishing Co. Ltd.

The present system of deferring one's income tax payments seems to work out quite satisfactorily.

The system of making deductions from any salary payments would perhaps be a more painless abstraction method, but I do not think the additional convenience would counterbalance for the extra work which would be put on the already burdened payroll departments.

From a national viewpoint I believe more income tax would be prepaid by deducting the tax at source, thereby reducing some of the work of the income tax collection department.

• • •

H. V. Laughton

Manager, Trust Department, National Trust Co. Ltd., Toronto.

Personally it would make little difference to me as I already pay my income taxes by installments. However, I do feel that there is a little pleasure in the feeling that there is something voluntary in my paying taxes rather than having the element of compulsion further impressed upon me.

From the national viewpoint I suppose the officials who have studied the matter will be able to decide the advisability of the course, having in mind the collection of the greatest amount of money. However, it does seem to me that the adoption of such a course would throw upon corporations and employers a further heavy burden, namely, the necessity of keeping accounts and records and making government returns.

In the final analysis this is simply a duplication as the taxpayer must still make his return. This burden involves heavy expense without remuneration to corporations and employers already rendering innumerable free services to the government in addition to paying their taxes, and increases the difficulties of carrying on business due to staff problems. The whole object of dealing with man power is to eliminate unnecessary services and the proposal seems inconsistent with this. If the purpose is to prevent evasion I would suggest that a much cheaper and more effective method would be to increase penalties for evasion and enforce such penalties.

• • •

M. W. McDonald

Secretary-treasurer of the Dominion Steel and Coal Corporation, Montreal.

Deduction of income tax at the source on existing graduating basis seems possible only if there is a single source of income. Otherwise it would be impossible to determine the rate of tax to be deducted. Unless the whole basis of income tax assessment is to be changed deduction at the source appears impracticable.

Presumably annual income tax returns from individuals would be a continuing requirement and the checking and adjustment of these returns would require even more work on the part of income tax authorities than under the present system. In addition a large amount of additional work would be thrown upon employers and others who would be responsible for tax deduction and whose staffs are in many cases depleted and overworked.

• • •

C. W. Stollery

Retail merchant, Toronto, and active in retail merchants' organizations.

Income tax deducted from regular income may suit many people but may drain the working capital from the small businessman before he earns his year's profit. Many retailers earn most of their income in the autumn and can best finance themselves by lump sum payment of income taxes in the spring.

From a national viewpoint it is imperative to follow some deduction plan but the usual reasonable alternative should be offered to those taxpayers with an income based on annual bonuses or profits.

• • •

D. A. Tolmie

Comptroller, Sutton Horsley Co. Ltd., makers of scientific instruments for aircraft, etc., Toronto.

I would definitely prefer income tax deducted regularly from income at the source. The present system with increasing rates is malicious in that it sets up indefinite future obligations on incomes already spent, generally speaking.

From a national viewpoint such a plan would be more businesslike and would give the treasury a steady flow of income. It would be collected with less expense and would be more equitable in that all would be paying income tax dollars with and when dollars were earned.

• • •

D. S. Tait

Vancouver, president, Privateer Mine Ltd.

I believe it would be generally advantageous to the taxpayer if income taxes were deducted regularly at the source. Income tax makes the government, in effect, the silent partner in every business. The government's share of profits becomes practically a trust in the hands of the taxpayer or a precarious loan to the taxpayer which must be repaid under heavy penalties.

Taxpayers' business would be actually on a sounder basis if the payment were made as the income was received. Cases of actual hardship from this policy would, in my opinion, be few. Benefit to the country in wartime of receiving earlier payment of income taxes is beyond question.

• • •

H. Wadley

Director, Steele-Briggs Seed Co. Ltd., Toronto.

I believe income tax deduction at the source to be the most satisfactory method of collection for the average worker although machinery for such would be quite involved and expensive. Loyal Canadians on the home front fully realize the war endeavor cannot be successful unless ample reinforcements of guns, tanks, ammunition, etc. are available for the front line troops when needed. With regular deductions workers would gauge their expenditures more carefully.

A PROPOSED PLAN FOR INCOME TAX DEDUCTION AT SOURCE
Compiled by J. Ingram and G. C. Andrew, based on 1941 rates

For Single Man Without Dependents

Annual gross income $	Net taxable income $	Annual tax payable $	Installment Details: Deduct this % of net %	Installment Details: To be paid by installments $	Installment Details: Monthly installment $	Balance tax due end of year $
1,000	250	37	13	32.50	2.71	5.00
1,500	750	112	13	97.50	8.13	15.00
2,000	1,250	200	15	187.50	15.63	12.50
3,000	2,250	412	15	337.50	28.13	75.00
5,000	4,250	982	20	850.00	70.83	132.50
7,000	6,250	1,685	25	1,562.50	130.21	122.50
10,000	9,250	2,900	30	2,775.00	231.25	125.00
14,000	13,250	4,757	30	3,975.00	331.25	782.50
20,000	19,250	7,705	30	5,775.00	481.25	1,930.00

For Married Man With Two Children

Annual gross income $	Net taxable income $	Annual tax payable $	Installment Details: Deduct this % of net %	Installment Details: To be paid by installments $	Installment Details: Monthly installment $	Balance tax due end of year $
2,500	200	30	13	26.00	2.17	4.00
3,500	1,200	190	15	180.00	15.00	10.00
5,000	2,700	525	15	405.00	33.75	120.00
7,000	4,700	1,131	20	940.00	78.33	191.00
10,000	7,700	2,250	25	1,925.00	160.42	325.00
14,000	11,700	4,029	30	3,510.00	292.50	519.00
20,000	17,700	6,930	30	5,310.00	442.50	1,620.00

PROPOSED TAX DEDUCTION INSTALLMENT BRACKETS
Based on Net Taxable Income
(Apply no matter what status)

Up to $1,000 .... 13%
Over $1,000 and up to $3,000 ...... 15%
Over $3,000 and up to $5,000 ...... 20%
Over $5,000 and up to $6,000 ...... 25%
Over $6,000 and up to $20,000 .... 30%

Gas Switchover Should Be Easy

Switch-over of domestic gas furnaces to coal burning units forced by the natural gas shortage in southwestern Ontario should be possible without a great deal of difficulty, according to authorities in the trade. For many of those who have gas furnaces, all that will be necessary is the removal of the conversion burner and installation of a grate. At the moment there appears to be no question of the supply of grates.

One order affects customers of Dominion Natural Gas Co., United Gas & Fuel Co. of Hamilton and its subsidiaries, the Port Colborne-Welland Natural Gas & Oil Co., Wentworth Gas Co., Fonthill-Ridgeville Gas Co. and the Town of Leamington. This order provides that persons and firms which draw gas from these companies, and whose heating equipment can be converted to coal, will be denied gas. Their gas equipment must be removed at once.

Another order affects customers of Union Gas Co. of Canada Ltd. of Chatham, Windsor Gas Co. and the City Gas Co. of London. It prohibits use of gas for heating any building, other than a private dwelling, in which the heating equipment can be converted to coal. Gas supply will be turned off from any non-war industry if supply to war industry is threatened. The same companies under order have suspended all equipment rental contracts.

Mr. Symington reports that a new coke oven gas plant is being built in Hamilton.

London's city council was told by the power controller this week that it might be necessary by Nov. 1 to order removal of all natural gas furnaces in the city. There are approximately 6,300 gas furnaces in London of which some 1,600 are fully owned by the householders, the others being rented or being paid for on the installment plan.

On the Record

The cost of one new suit of battle dress is $11.18; a walking-out uniform costs $14.39; a summer uniform is $5.56.

All males between 17 and 69 not gainfully employed must register and report thereafter every two weeks until employed.

Hugh B. MacMahon, London, and **Calvert S. Stonehouse**, Windsor, appointed regional allocation officers for the WPTB and will serve 15 counties of Western Ontario.

An army mechanized division uses 15,000 gallons of gasoline every 100 miles.

Army expenditures this year will total $1 billion.

J. E. Coyne appointed deputy chairman, WPTB. **M. W. Mackenzie**, late of the Foreign Exchange Control Board named chief of the division of supply, distribution and rationing; **Douglas Dewar** in charge of the prices division and **A. M. Henderson**, appointed comptroller, WPTB.

Between 40 and 60% of the normal production of tennis and golf balls will be available this year. Varieties of tennis racquets are cut from 98 to 75, ping pong bats from 26 to 18, badminton racquets from 75 to 50.

J. A. Jackson, Central Ontario regional office, appointed acting representative of the Welland sub-regional office of WPTB.

All exporters of beef cattle to the United States will require a license after June 15.

Rubber, metal and other material may no longer be used in the production of motor vehicle accessories, with the exception of heaters, defrosters, and other parts required by law.

Production of motor vehicle replacement parts is limited to 70% in total dollar value of similar parts sold or supplied during the corresponding period in 1941 starting with the months, May, June and July and continuing for each succeeding three-month period thereafter.

Laurie Lewis, Belleville, appointed director for Ontario of the Ration Division, WPTB.

Curtailment of non-essential bus services will eliminate an estimated six million miles in Canada; 2.1 million miles in Quebec, 2 million in Ontario, 1.2 million in the Prairie Provinces, 660 thousand in the Maritimes and 76 thousand in B.C.

Permits for new cars are only required by those who wish to purchase one of the 4,000 "reserve" or "pool" cars which can only be sold for essential services and which are under the control of the Motor Vehicle Controller. The extensive supply of other new cars may be purchased in the normal way.

Soo Canals Set Record

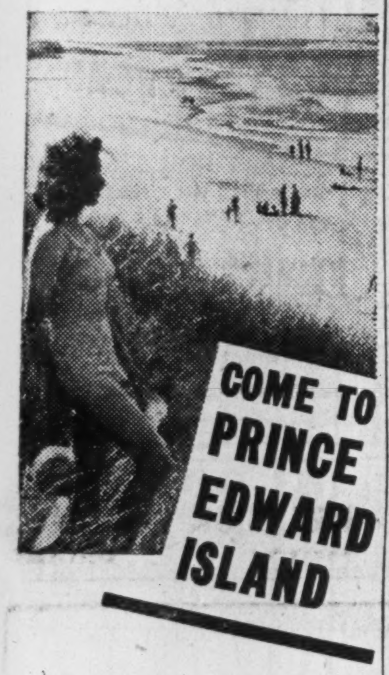
The combined Canadian and United States locks on the Sault Ste. Marie canals handled more traffic in May this year than in any previous month. This year's total was 15.9 million tons against 15.2 million tons in May, 1941.

Of the total, iron ore shipments aggregated 12.7 million tons, an increase of 9.1%. Bituminous coal was up from 889,000 to 1.4 million tons. Wheat decreased from 52.7 million bushels, and other grains were down from 10.8 million bushels to 4.7 millions.

On the Welland Ship Canal, May traffic decreased to 1.5 million tons from last year's figure of 1.7 million. The St. Lawrence Canal traffic was also down at 784,006 tons, compared with last year's of 900,254 tons.

On the Welland Canal, bituminous coal, iron ore, sand and gravel, salt, pulpwood showed increases. Practically all other commodities were down.

THIS SUMMER



COME TO PRINCE EDWARD ISLAND

You must keep fit to do a better Wartime job. Rest and relax from toil and tension in lovely Prince Edward Island this summer. Different in atmosphere and providing every recreation—golf . . . deep-sea-fishing . . . tennis . . . warm salt-water bathing on magnificent beaches backed by sand dunes—this Birthplace of Canada is also rich in historic lore and natural beauty. Pleasant days . . . and nights cool enough for sleep . . . add to the "keeping fit" qualities of a P. E. I. vacation.

It's Easy to Get to P. E. I.

. . . and splendid accommodation of all types and to suit all purses is available. You can leave Montreal on the C. N. R. "Ocean Limited" train every evening, except Saturday. This train carries a through, air-conditioned sleeping car direct to Charlottetown. Until September 1st a special 21-day excursion rate is in effect from Port Arthur East on the C. N. R. and C. P. R. Air services are twice daily from Toronto, Ottawa and Montreal to Prince Edward Island, via Trans-Canada Airlines and Maritime Central Airways.

For complete information including special transportation folder, see any Railway, Airline or other travel agent . . . or write to

THE PRINCE EDWARD ISLAND TRAVEL BUREAU
B. GRAHAM ROGERS, Supervisor
Charlottetown, P.E.I., Canada

Golf by the sea on Green Gables' sporty course.

EVEN THOUGH ONE MAY SLIP . . .

Mountain climbers know that even the most sure-footed may slip some time. But it's not likely that they'll all slip at the *same* time. The combined judgment of a group of experienced people works the same way on problems of property management and investment planning entrusted to us. It's your protection against the occasional human error. That, together with our long experience, financial responsibility and widespread contacts, are some of the reasons why the Crown Trust is so well qualified in estate management. May we explain?

Crown Trust Company

Executors :: Trustees :: Financial Agents

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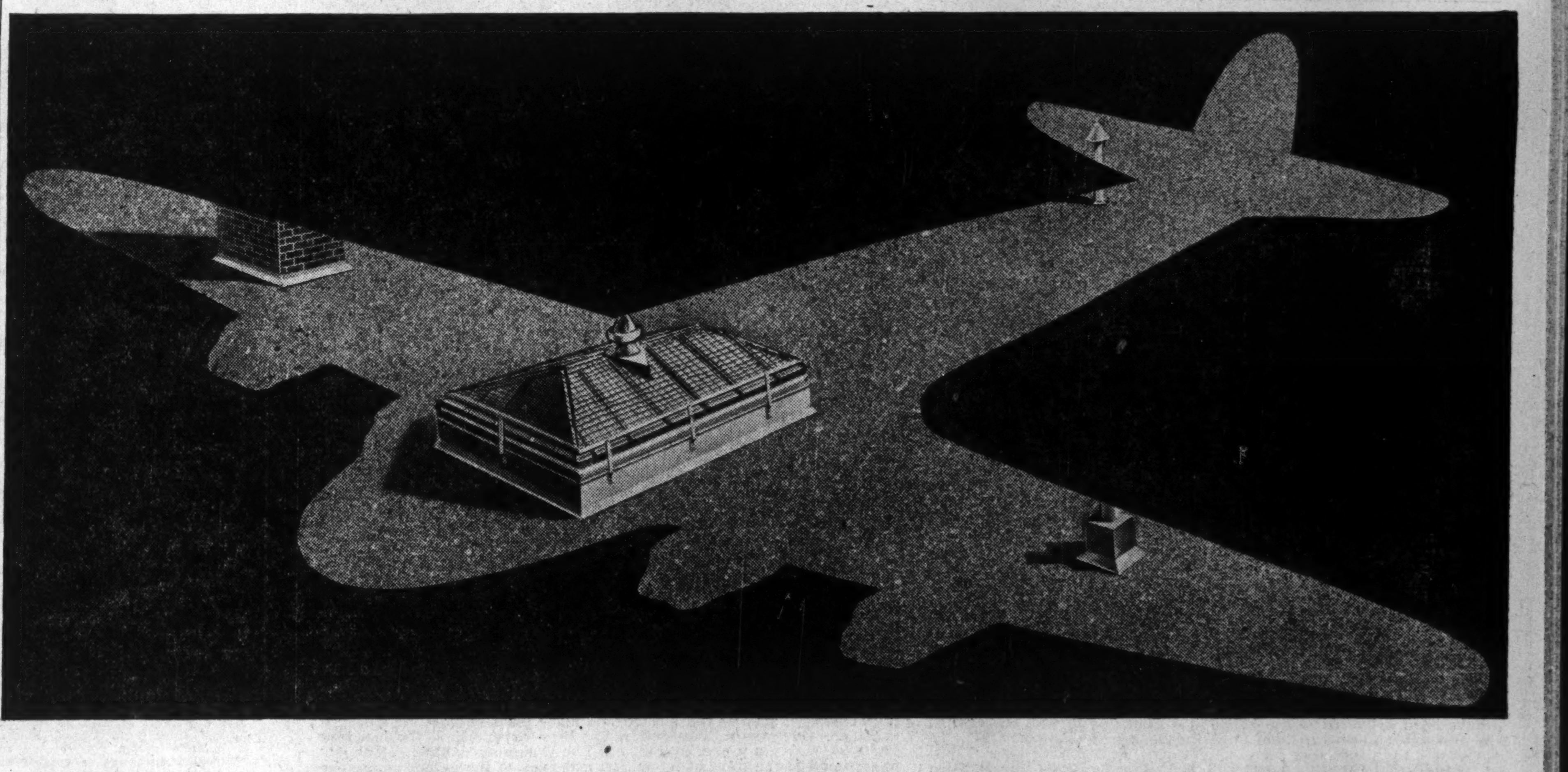
Let us serve you and your family



FOR ANOTHER KIND OF DEFENCE

Faster, faster turn the wheels of production. Not a moment can be spared . . . no delays may be permitted, least of all the avoidable delay a faulty, leaky roof may cause. That's why it is so advisable when choosing a roof to choose the best – a Murray Roof that is backed by years of roofing experience, combined with the finest quality materials and workmanship — a roof that will give you sure defence from trouble for years after the usual period of guarantee has expired.

When you specify a Murray Roof, a qualified Murray inspector is on the job—scrutinizing every pound of material used, seeing that construction specifications are followed to the letter, approving the final results, and placing a report and a roof plan in the permanent Murray file for reference in follow-up inspection service. When considering roofing, or re-roofing, investigate the advantages of having your name on the register of users of Murray Built-Up Pitch and Gravel Roofs.

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42-3

Voluntary Savings Are Vital in Budget Plan

(Continued from page 1)

last year's annual figure of $600 millions.

In short, while Mr. Ilsley has assured the treasury an estimated income of $1.4 billions from personal income and indirect taxes (sales, excise, etc.) he runs the risk of jeopardizing the $1.2 billions which, it is believed, must be raised under voluntary methods.

Justification of the new policy is contained in Mr. Ilsley's concluding paragraphs:

"I am not proposing to substitute compulsory savings for voluntary savings. The refundable tax and other provisions which I am recommending are merely to equalize the base from which voluntary savings start. Over and above the higher taxes, over and above the minimum savings requirement, current savings must be increased greatly if we are to finance the war the sane and equitable way."

Alongside a new maximum E. P. T. rate on corporations of 100%, the same refundable tax feature is applied to companies subject to this new high rate. Mr. Ilsley estimates the amounts to be realized from corporation and E. P. T. imposts in the current fiscal year will be $745 millions, exclusive of $25 millions in refundable tax revenue. The effect of the new taxes on corporations in terms of a full 12 month period follows. (The disproportionate gain to the treasury in the present fiscal year is due to the change in method or payment.)

CORPORATION TAXATION
(Billions of Dollars For 12-month Period)

Taxes		Increase over revenue from present taxes
Corpn. & E. P. T.	533	58
Refundable tax	60	60
TOTAL	593	118

In his statement to the House of Commons, Mr. Ilsley made no attempt to estimate the national income for 1942-43 or to gauge the amount of purchasing power which would be available to feed the increased taxes, and savings requirements.

He indicated that the quantity of goods being sold (apart from automobiles), was currently 20 to 25% above prewar levels and that the "national output of goods and services" had risen in the past fiscal year by nearly 25%. He pointed out that in 1941-42 Canada had paid 50% of war expenditures and war advances out of revenue. For 1942-43 the government hopes to raise this to 52% exclusive of refundable taxes. The remaining "budgetary deficit" $1.8 billions is to be covered by borrowing, that is voluntary saving, etc.

Mr. Ilsley stressed the fact that it is not the size of Canada's postwar indebtedness which is the matter of chief concern. (In 1941 our national debt rose by $414 millions.)

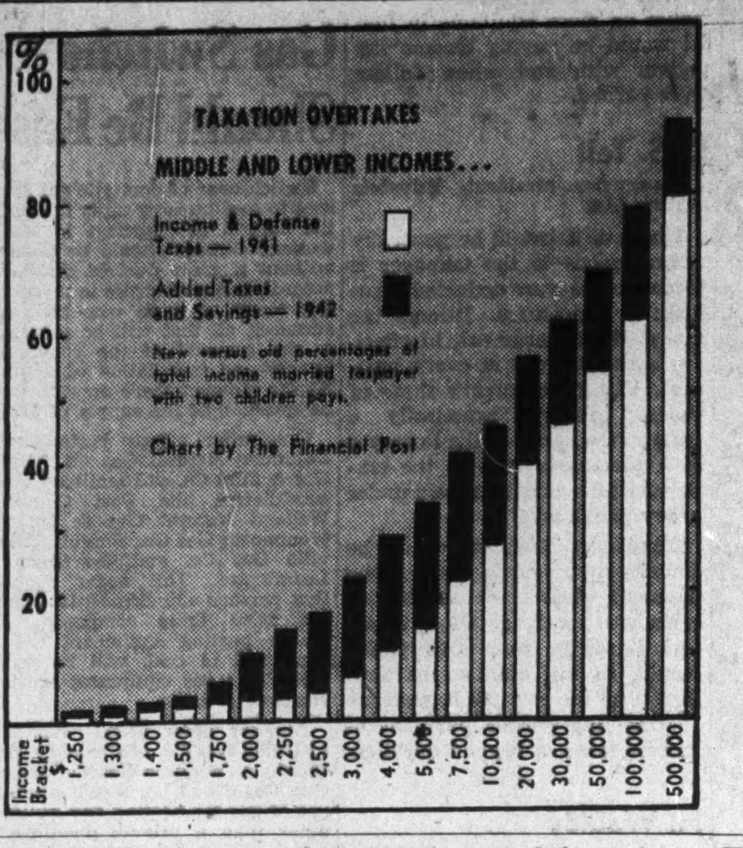
"We are concerned," said Mr. Ilsley, "about the distribution of the debt." He added: "It is a matter of the first importance that those who have the right to receive payments on government obligations shall be those who will use the payments, repayments to provide needed improvements in their standard of living, maintain themselves against insecurity and contribute to the improvement of our productive equipment."

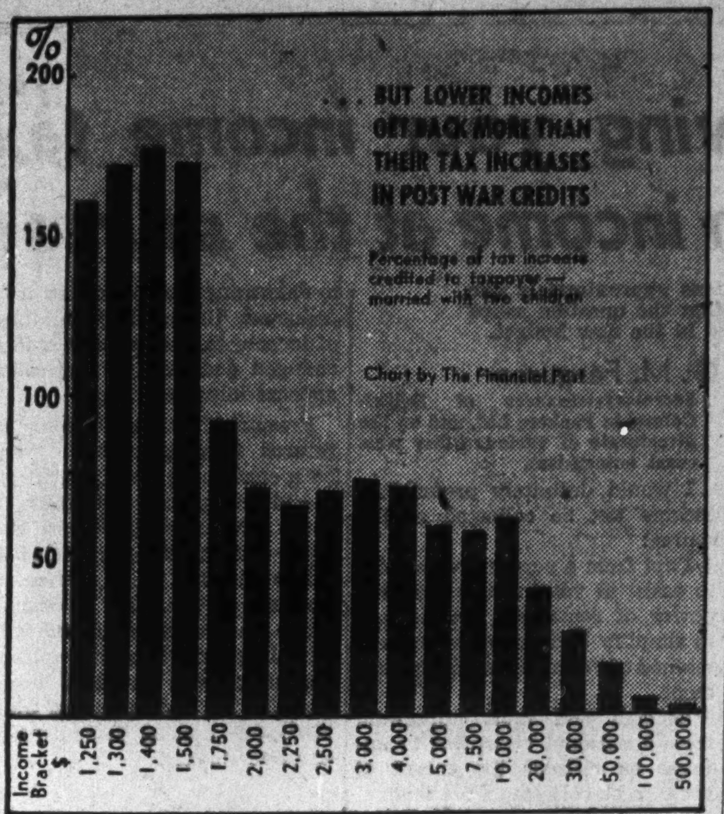
Chief feature of the new indirect taxes on cigarettes, luxury goods, etc., is the care that has been taken to leave the cost of living index inviolate. Said Mr. Ilsley:

"I am sure that the House will agree that these excise taxes will fall on articles which it is not essential to purchase in wartime and that they will fall only on persons who make unnecessary expenditures, and thus give evidence that they are in a position to contribute to the revenues of the country. I expect that the increases in excise taxes will produce additional revenue in the fiscal year of $20,995,000 and $28,025,000 in the full year.

"In the case of taxes on commodities and services which are levied on the retail price and paid by the consumer or patron when his bill is paid, the tax will be stated separately from the price and will be deemed not to be part of the price for the purposes of the Maximum Prices Regulations.

"Of the commodities on which new or increased taxes are assessed on the manufacturers' price it may be noted that furs are exempt from the Maximum Prices Regulations, as are also sales of alcoholic beverages by provincial liquor boards. The other commodities affected are subject to the Maximum Prices Regulations, viz., alcoholic beverages sold otherwise, cigarettes and tobacco, cigarette papers and tubes candy and chewing gum, photographic films and plates, soft drinks and playing cards. On cigarettes and tobacco, the new taxes are separately stated and will be so indicated by stamps on the packages. The tax will not be considered part of the price for purposes of the Maximum Prices Regulations. In respect of the other commodities, the Wartime Prices and Trade Board will permit such adjustments as are necessary and equitable."





Will Enforced Savings Check Other Types of Saving?

One of the provisions in the new income tax regulations would appear to hamper new life insurance sales, new purchases of homes, establishment of new superannuation or retirement funds. It is, however, helpful to those who already have entered into such contracts.

The new budget provision in question deals with allowances to be made in regard to enforced savings for certain types of savings already being made by the taxpayer under contract. Said Finance Minister Ilsley.

"Payments made by the taxpayer within the tax year as net premiums on life insurance contracts in force today or as principal payments on a mortgage on one residence or as payments into a pension fund, retirement fund or superannuation fund, will be accepted as an alternative to the liability to turn over funds directly to the treasury as part of the minimum savings requirement. . . . By permitting these savings under existing contracts to be counted a part of the minimum savings requirements, we are able to ensure that everyone saves the minimum amount without creating hardship for those who have contracted to save substantial amounts by means of life insurance, mortgage payments or pension funds."

Mr. Ilsley's language indicates quite clearly that allowance against minimum savings is to be made only in the case of payments on contracts in force the day the budget was brought down.

Accordingly, a man wanting to buy additional life insurance now or buy a house or start paying on a pension fund will have to do so on top of the minimum savings required by the government. Thus if he is saving $200 a year under the minimum saving plan and wants to buy life insurance requiring a yearly premium of $200 he will have to find the $200 in addition to the amount he is turning over to the treasury as enforced savings. Few men, it is believed, will be able to do this.

Ferry Company Loses Boats

Northumberland Ferries Ltd., operating a ferry system between Wood Islands and Caribou, connecting Prince Edward Island with Nova Scotia, states that on Sept. 4, 1939, the government requisitioned the M. V. "Charles A. Dunning," which the company had purchased in the U. S., to operate its service. This ship was later released but was again requisitioned about Dec. 1, 1939, states R. E. Mutch, president.

The company then purchased a second boat in the United States, the S.S. "Sankaty." This ship was reconditioned in Halifax and, when ready to take up service in June, 1940, was also commandeered.

A third boat, the M. V. "Erie Isle," renamed the M. V. "Prince Nova," was purchased early in 1941. This ship was commissioned May last year and carried on until the middle of December.

United Secs. Calls Meeting

From Our Own Correspondent

MONTREAL. — United Securities Ltd. has called a meeting of the 5½% collateral trust bondholders for Sept. 10 to consider a plea of capital reorganization. Under the scheme bondholders will be asked to exchange par for par into new 3% bonds guaranteed as to interest and principal by Shawinigan Water & Power Co. and Montreal Light, Heat & Power Cons.

Non-resident holders will be given three-way pay bonds, while those in Canada receive Canadian pay only. Bonds held in treasury will be cancelled, leaving outstanding $3,351,500.

Settlement has not yet been made with the government in respect to boats requisitioned and compensation is now being considered by the Exchequer Court of Canada.

Canadian, British and U. S. Income Tax Showing Postwar Refund or Forced Savings

Married — No Children

Income $	CANADA Total	CANADA Refund	CANADA Net	BRITAIN Total	BRITAIN Refund	BRITAIN Net	UNITED STATES (no forced savings) Present	UNITED STATES (no forced savings) Bill before Congress
2,000	431	200	231	504	127	377	42	80
4,000	1,364	400	964	1,404	193	1,211	249	535
10,000	4,762	1,000	3,762	4,504	260	4,244	1,305	2,435
20,000	11,279	1,000	10,279	11,229	260	10,969	4,614	7,060

Total War Demands Total Saving

Total saving demands economy. Every dollar you can save by deferring unnecessary purchases should be invested in Victory Bonds—not alone for Canada's sake, but for your own. After the war every Victory Bond you own will be an anchor to windward, and the money invested may be of more use to you then than now.

We will gladly fill your order. Write or telephone.

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Toronto
Telephone: Elgin 4321

Wood, Gundy & Company Limited

Twenty Ships Now Completed By Canada

Wartime Merchant Shipping Progress Reported on by C. D. Howe

By STAFF WRITER

OTTAWA. — Wartime Merchant Shipping, Ltd., has completed 20 vessels of 10,000-ton deadweight capacity according to figures made public last week by Hon. C. D. Howe, Minister of Munitions and Supply. These vessels are "loading or have gone to sea."

The rest of the cargo programme is as follows:

17 of 10,000-ton vessels are in the water being outfitted.

33 are being built on the building berths, several of which are almost completed.

9 ships of 4,700-ton deadweight capacity are in process of construction on building berths.

5 of the 4,700-ton ships were completed and ready for sea in May. It is expected that 10 will be completed and ready for sea in June.

The balance of Mr. Howe's statement follows:

"In April, 1941, there were in Canada eight building berths large enough to build 10,000-ton freighters. By new construction, this number has now been raised to forty, five of which have been turned over to naval building. Similarly, eleven building berths have been built or enlarged to make possible the construction of 4,700-ton ships. Two of these berths have been turned over to naval building, and nine are now occupied with cargo ships.

"The completed cargo ships are 95% built with Canadian materials and Canadian labor, whereas in the Great War a very large proportion of steel, engines, shafting, propellers, pumps and auxiliaries were imported.

"Certain yards have launched ships within eighty days after laying the keel, and have delivered ships, ready for sea duty, thirty-five days after launching. This performance will be improved as management and labor grow more expert, but at present they constitute a performance in which Canadians can take pride."

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From the Twentieth Annual Statement

Toronto Transportation Commission

December 31st, 1941

In submitting to the city the twentieth annual statement of the Toronto Transportation Commission, the Commissioners, Wm. C. McBrien, Chairman; Wm. Croft, Vice-Chairman; and W. G. Russell said in part:

The financial results for the year were satisfactory, and again reflect the ever increasing activity brought about because of the war emergency. The net income was sufficent to provide for the scheduled payments of interest and principal due on the debenture debt, as well as all the current amounts estimated to be necessary for operating reserves, including depreciation. In addition, the net income was sufficient to allow for the appropriation of an amount to the reserve for revenue stabilization, the establishment of a reserve for costs and losses arising out of the war, and to transfer nearly one hundred and sixty-three thousand dollars to accumulated surplus.

The gross revenue of the system was the second highest of any year in the Commission's history, and was only about one hundred and thirty thousand dollars less than the peak year of 1929. The number of revenue passengers carried on the city street railway and feeder buses increased 25,461,206 over the number carried in 1940, or 15.14 per cent., and represents by far the greatest gain in traffic for any one year in the experience of the Commission. The number of passengers in 1941, totalling 193,608,478, was almost forty millions in excess of the number carried for the year 1939. However, this total was still some thirteen millions less than were carried in 1929, the peak year in the Commission's history.

Your Commissioners endeavour to plan improved service and arrange for additional equipment and personnel long in advance of the actual demands. Sixty new street cars referred to in our report for 1940 were to have been delivered in the Fall of 1941, but due to war priorities it was impossible to obtain them until the Spring of this year, 1942. To provide for the continuing increase in traffic, orders have been placed for an additional fifty-five cars for delivery late this Fall. The addition of these cars will increase the fleet of modern street cars to 305.

GENERAL MANAGER'S REPORT

H. C. Patten, General Manager, supplemented the balance sheets as at Dec. 3, 1941, with a report, in which he pointed out:

Capital Assets in Road and Equipment increased nearly $1,760,000.00 as compared with the total at the end of 1940. Nearly all of this increase was due to the purchase of new equipment, including the new modern streamline street cars, and some sixty-three buses and coaches.

Investments in Government and Municipal Bonds totalled $2,843,389.34 on December 31st, 1941, an increase of about $940,000.00 when compared with the amount so invested at the end of 1940. All additional investments of Surplus Funds during the year were in Dominion of Canada War and Victory Loan Bonds. These funds will eventually be required for the replacement of equipment and other assets.

The Debenture Debt of the Commission outstanding as of December 31st, 1941, was $16,900,558.39.

GRAY COACH LINES, LIMITED:

All of the city and interurban motor coach transportation services of the Commission carried on at special rates of fare separate from the city street railway and feeder bus system, are operated by its subsidiary, company, Gray Coach Lines, Limited.

As compared with the year 1940, the results for 1941 were as follows:

	1940	1941
Gross Revenue	$1,469,140.32	$1,988,488.58
Expenses of Operation	1,068,834.67	1,344,794.23
Income Available for Reserves and Dividend	$ 400,305.65	$ 643,694.35
Dividend at 5 per cent. paid to Toronto Transportation Commission	50,000.00	50,000.00
Income Available for Reserves and Surplus	$ 350,305.65	$ 593,694.35
Appropriated for Reserves	319,430.15	531,674.20
Carried to Accumulated Surplus	$ 30,875.50	$ 62,020.15

The results of operation of the Company during 1941 were again very satisfactory. Gross Revenue was $1,988,488.58, an increase of $519,348.26, or 35.35 per cent., when compared with 1940, and the highest in the history of the Company.

CONCLUSIONS:

The passengers carried on the city street railway and bus system in 1941 exceed those carried in 1933 by more than 46 millions. From all indications this is but a forecast of still more extraordinary developments. Traffic on the various lines of the transportation system, including Gray Coach Lines, in the early months of the present year, and at the date of this report, exceeds all previous records of the Commission.

Under normal conditions, such a fact would of course be most satisfactory, but it is obvious that these increases have been due primarily to wartime activities. Consequently they cannot be regarded as a true indication of the trend of traffic for the future. On the contrary, the future position of the transit industry in the next year or two and in the postwar period is quite unpredictable.

The present position of the Commission is however clear. City transportation is vital to the war effort. It is so recognized by the Government, which has placed all transit operations throughout Canada under a Controller, reporting to the Department of Munitions and Supply. Therefore, to an extent never before existing, the operations of the Commission are definitely subject to Government regulations. The Transit Controller has almost unlimited powers. He can order service to be provided or discontinued, regulate traffic and parking, take possession of street cars and buses for use elsewhere in Canada, alter hours of employment, order the employment of women, the use of one man cars if required, and, in short, do almost anything affecting the transit systems that is in the interest of the war effort.

The Commission's primary duty in the present emergency is to see that workers in war industries get the most efficient, speedy and convenient service possible. To this end, the Commission is in constant touch with hundreds of war plants, and schedules and services are continually watched and altered to meet the working hours and the numbers of people employed in these industries.

The Commission also has to provide for the greatly increased riding of its regular patrons, brought about by the generally improved economic conditions, and by the increasing restrictions in the facilities for private transportation. The Commission foresaw the likelihood of these conditions almost as soon as war started, and made plans to meet the enlarged demands. Over ten million dollars has been expended in the last four years for new plant and equipment. The Commission has kept to this programme to the limit of its ability, and even to the extent where the prices paid could not ordinarily be justified except under conditions of war emergency.

Unfortunately, the difficulties of obtaining street cars and buses at all have now become almost prohibitive because of shortages of manufacturing facilities, and of many important materials necessary for the construction of such equipment.

This means that the present transportation facilities will be strained to the utmost during the coming winter of 1942-43. As has been stated, this acute demand for public transportation is not peculiar to Toronto, but like situations prevail in almost every important city in Canada and the United States.

In spite of everything that can be done, the public will find that cars are more crowded and that service will not be as comfortable or as convenient as it was prior to the war. The co-operation of the public and the car riders must be requested in this shortage of transportation just as in the case of other rationed commodities.

The Commission has done and will do many other things to help relieve the situation. Staggering the hours of work, and consequently the hours of using transit facilities, is a move of primary importance. Much has been accomplished already in this direction.

Reductions in the number of stops have been of great help, and more are planned. The selling of tickets on the streets at congested intersections is of benefit; further regulation of parking and traffic, and the installation of more safety zones, will help. In general, the Commission will do everything possible and practicable to provide the best service that can be given.

Comparative Consolidated Income Statements

		Gross Revenue	Operating Expenses	Net Income	Interest and Retirement of Debentures
1921	(Four Months)	$ 4,071,969.73	$2,499,773.34	$1,572,196.39	$ 642,805.99
1922		11,651,512.49	8,468,841.54	3,182,670.95	1,837,977.28
1923		11,852,334.63	8,104,680.29	3,747,654.34	2,387,725.79
1924		11,709,695.28	7,788,563.81	3,921,131.47	2,733,385.64
1925		11,626,658.70	7,387,570.83	4,239,087.87	3,081,703.36
1926		12,050,304.23	7,508,915.80	4,541,388.43	3,273,045.60
1927		12,635,320.15	7,606,080.75	5,029,239.40	3,237,175.65
1928		13,269,718.47	8,172,306.49	5,097,411.98	3,217,151.74
1929		14,498,624.12	9,131,853.48	5,366,770.64	3,267,693.03
1930		14,068,379.51	9,008,602.85	5,059,776.66	3,111,899.08
1931		12,800,638.67	8,026,809.02	4,773,829.65	3,123,859.10
1932		11,243,785.48	6,987,428.33	4,256,357.15	3,120,856.79
1933		10,293,212.46	6,232,298.90	4,030,913.56	3,034,342.41
1934		10,570,097.77	6,482,152.84	4,087,944.93	3,011,554.59
1935		10,516,795.96	6,367,958.01	4,148,837.95	2,999,565.20
1936		10,650,006.34	6,488,308.83	4,161,697.51	2,956,664.47
1937		10,900,677.59	6,532,716.62	4,367,960.97	2,906,934.01
1938		11,047,066.49	6,739,753.88	4,307,312.61	2,952,478.45
1939		11,229,117.87	6,757,925.10	4,471,192.77	2,954,670.63
1940		12,210,884.76	7,222,426.96	4,988,457.80	2,811,874.99
1941		14,368,501.08	8,308,364.64	6,060,136.44	2,657,402.97

Toronto Transportation Commission

Toronto Transportation Commission and Its Subsidiary—Consolidated Balance Sheet, December 31, 1941

ASSETS

CAPITAL ASSETS:		
Road and Equipment at cost, including land, buildings, sub-station equipment, electrical distribution system, trackwork, rolling stock, motor coaches and buses, machinery and tools		$ 52,481,008.89
Intangible Assets, at cost, being assessments for grade separation, franchise rights of Gray Coach Lines, Limited, etc		1,475,539.75
Debenture Discount and Expenses		1,449,736.00
Mortgages Receivable on property sold		16,227.78
TOTAL CAPITAL ASSETS		$ 55,422,512.42
INVESTED FUNDS:		
Dominion Government and municipal bonds at cost (market value $2,897,262.50))		2,843,389.34
CURRENT AND WORKING ASSETS:		
Book inventories of operating supplies valued on the basis of cost, as certified to by the management	$708,861.17	
Working funds advanced to agents, conductors, etc.	206,152.00	
Unexpired insurance premiums, prepaid licenses, taxes, etc.	150,347.08	
Trade accounts receivable, less reserve of $4,520.56 for estimated losses	154,596.62	
Interest accrued	26,725.04	
Treasury note receivable—City of Toronto	750,000.00	
Cash on hand and in banks	747,255.49	
		2,743,937.40
		$ 61,009,839.16

NOTE:

The outstanding debentures shown on the above balance sheet include debentures having a par value of $8,284,000.00 in Canadian dollars which are payable serially up to 1952 as to principal and interest in United States funds, at the holder's option. A reserve of $696,943.20 for foreign exchange is carried towards whatever premium the Commission may have to pay in connection with these debentures.

LIABILITIES AND RESERVES

CAPITAL ACCOUNT:			
Corporation of the City of Toronto:			
Par value of debentures issued for transportation purposes		$ 44,062,340.65	
Less: Proceeds of such debentures not requisitioned by Commission and applied by City Treasurer to redemption of debentures		1,989,214.55	
		$ 42,073,126.10	
Less: Funds obtained from earnings of Commission transferred to City Treasurer for redemption of debentures, and debentures redeemed out of surplus earnings of the sinking fund of the City of Toronto	$ 24,579,317.06		
Amounts accrued to December 31, 1941, for redemption of debentures as shown in Sundry Liabilities	593,250.65		
		25,172,567.71	
			$ 16,900,558.39
SUNDRY LIABILITIES:			
Accounts payable, due and accrued		$ 981,596.65	
Accrual for debenture interest		50,369.16	
Accrual for redemption of debentures		593,250.65	
			1,625,216.46
DEBENTURE RETIREMENT RESERVE:			
Representing funds provided from earnings transferred to City Treasurer for redemption of debentures, as above		$ 25,172,567.71	
Less: Amounts applied in writing off Capital Assets acquired through debenture debt which has been retired at maturity, thereby eliminating such items from the accounts		714,849.68	
			24,457,718.03
OTHER CAPITAL RESERVES:			
Amount provided from earnings for depreciation and amortization not provided for by debenture retirement reserve, now invested in property and bonds		$ 12,734,352.98	
Reserve for foreign exchange		696,943.20	
			13,431,296.18
OPERATING RESERVES AND RESERVES FOR CONTINGENCIES:			
For workmen's compensation and public liability		$ 901,182.11	
For redemption of unpresented tickets		267,723.51	
For losses arising out of the War		575,000.00	
For contingencies		976,560.13	
			2,720,465.75
RESERVE FOR REVENUE STABILIZATION			925,000.00
ACCUMULATED SURPLUS			949,584.35
			$ 61,009,839.16

Comparative Consolidated Income Account

	1940	1941
REVENUE:		
Passenger Earnings:		
Railway and bus transportation	$ 10,454,233.66	$ 12,057,975.31
Motor coach transportation	1,391,663.02	1,907,804.72
Interest on invested funds and bank balances	82,679.91	99,983.91
From sundry other sources	282,308.17	302,737.14
Gross Revenue	$ 12,210,884.76	$ 14,368,501.08
EXPENSES:		
Cost of electric current, including maintenance and operation of substations	$ 987,952.04	$ 1,076,199.07
All other operating expenses (except those dealt with below), including maintenance, repairs, taxes and expenses of administration	5,909,287.72	6,909,084.86
Provision for:		
Workmen's compensation and public liability	325,187.20	320,000.00
Estimated losses on accounts receivable	....	3,080.71
Total Expenses	$ 7,222,426.96	$ 8,308,364.64
Income available for interest, depreciation and amortization and other reserves	$ 4,988,457.80	$ 6,060,136.44
FIXED CHARGES AND RESERVES:		
Transferred to City Treasurer:		
For debenture interest	$ 1,163,106.67	$ 1,029,818.33
For retirement of debentures	1,648,768.32	1,627,584.64
Provision for depreciation and amortization not provided for by debenture retirement reserve	1,499,449.52	1,763,843.81
Appropriated to the following reserves:		
Contingencies	105,000.00	250,000.00
Unpresented tickets	1,000.00	1,000.00
Foreign exchange	225,000.00	225,000.00
Revenue stabilization	250,000.00	425,000.00
Losses arising out of the War	....	575,000.00
Total Fixed Charges and Reserves	$ 4,892,324.51	$ 5,897,246.78
Balance of income for the year, carried to accumulated surplus	$ 96,133.29	$ 162,889.66

GENERAL STATISTICS — 1941

Revenue passengers carried—City System	193,608,478
Transfer passengers carried—City System	100,167,955
Revenue passengers—City System—normal week day	610,000
Transfer passengers—City System—normal week day	305,000
Passengers carried—Gray Coach Lines, Limited	6,810,737
Car and bus miles—City System	26,731,914
Coach miles—Gray Coach Lines, Limited	5,746,815
Car and bus miles operated—City System—normal week day	81,000
Coach miles operated—Gray Coach Lines, Limited—normal week day	16,000
Miles of single track owned and operated	267.18
Bus and coach route miles	1,179.34
Number of street cars owned	901
Number of buses and coaches owned	318
Longest direct trip—City System—miles	12.00
Longest single route—City System—miles	10.04
Fares: (within city limits)	
Adults	10c cash— 4 tickets for 25c
Children (Not over 51 inches in height)	3c cash—10 tickets for 25c
Scholars	7 tickets for 25c
Transfers	Free between all routes within city
Night Fares	Same as day fares
Average Fare—City System	6.177c
Annual electric power consumption in kilowatt hours	103,804,846
Annual gasoline consumption—imperial gallons	1,315,000
Number of regular employees	3,293
Annual payroll	$3,447,000
Population:	
Within city limits	653,731
Greater Toronto	891,214
Toronto citizens residing within 2,000 feet of T.T.C. services	99.4%
Toronto citizens residing within 1,000 feet of T.T.C. services	87.1%
Automobile registrations, City of Toronto (1940)	130,559
Persons per automobile, City of Toronto (1940)	5.0

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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Bond Tenders

July 6, Dartmouth, N.S.—$19,600, 3½%, for water and sewer works as follows: $16,000, maturing in 1 to 13 years; $3,600, maturing in 1 to 8 years.

June 27, New Glasgow, N.S.—$50,000, 3½%, dated July 15, 1942, maturing from 1943 to 1960.

Herman E. Murray, of the firm of Thomson & Co., has been elected a governor of the Montreal Stock Exchange replacing D. S. McMaster, who has taken a position with the Wartime Prices and Trade Board. The new governor has been a member of the Exchange since early in 1940.

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AD. 5801

The Bondholder

Alberta debt talks should be resumed, according to the Calgary Herald. While the differences between bondholders and the province, chief of which was a 4% coupon asked by the bondholders against a 3½% asked by the province, proved irreconcilable at the recent conference, this paper states that a basis for a settlement has been approached and the hope still exists that a satisfactory solution will yet be achieved.

The Herald declares that right now seems a propitious time for agreement. Economic conditions in Alberta are much improved and relief payments have practically disappeared. The Herald goes on:

"The bondholders on the other hand, have been receiving half the rate of interest their bonds called for, and the principal has depreciated owing to the general and severe decline which followed default. An agreement would help them by restoring public confidence in the bonds and therefore increasing the price and making them readily saleable.

"The province is handicapped in many ways by the default of its bonds and the low rating of its credit. Unless the government desires to proceed on a pay-as-you-go basis and virtually compel all business to follow suit, it should continue the quest for settlement. The exercise of good judgment on this matter at the present time can mean a great deal for the future favorable development of this province."

* * *

Bond markets have remained rather quiet during the past week despite the generally unfavorable trend of war news. In some cases a moderate marking down of prices has taken place, with heaviest losses being sustained by some of the more speculative papers, but, by and large, action has been slow and trading dull. One big factor in the lack of turnover has been the continued absence of a large section of the bond trading fraternity on their work of lining up permanent organizations for the continuing sale of government war loans.

Great Lakes Paper Co. reports increased sulphite pulp producing capacity is now in operation. This equipment increases the amount of unbleached sulphite pulp available for sale to 40,000 tons annually and the company has been able to reach this higher rate somewhat earlier than at first expected. Special depreciation is being allowed for tax purposes on the $300,000 cost of the new equipment, permitting this amount to be written off over the three years 1942-1944 inclusive.

NEW VICE-PRESIDENT

Charles S. Robertson has been appointed a vice-president of both Canada Permanent Mortgage Corp. and Canada Permanent Trust Co. Mr. Robertson is general manager of Canada Permanent Mortgage Corp. and has been a director of both companies since 1936.

The Shareholder

Subdued capital markets will revive, Emil Schram, president of the New York Stock Exchange, maintains. Mr. Schram sees greater confidence in Washington than in New York that the U. S. industrial system, of which free markets are an integral part, will emerge from the war with greater capacity and proficiency and commanding the nation's respect and attention. Capital markets are a necessary part of this system, he maintains, and those in the security business have every reason to look forward with confidence.

* * *

London stock markets have shown ability to recover from the panic lows of 1940—lows which saw the industrials below any point for at least 20 years—in a way not noted on this continent as yet. Thoughts of victory in the war seem to be the motivating force in the latest upward move, according to the Investors' Chronicle. This paper writes with regard to the London Stock Exchange that:

"Stock exchange values, reflecting opinions throughout these islands, suggest the top of the ridge is clearly in sight. Many sections of the equity and near equity markets still offer considerable scope to the semi-speculative investor. If the real victory boom appears, it will be an undiscriminating affair, of which, in the long run, holders of some of the now inflated issues should take advantage."

From these comments it appears that investors in England are stressing the postwar position of securities even more than on this continent, and it is also suggested that such stress should be tempered with a good deal of caution.

THE ONTARIO LOAN AND DEBENTURE CO
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Deposits and Debentures (31 Dec., 1941), $12,531,188

B. C. Labor Deadlock Holds

Unions Insist Six-day Week Will Speed Shipbuilding

From Our Own Correspondent

VANCOUVER.—The shipbuilding situation on the west coast reached a showdown when 1,000 members of the Machinists Union walked out disrupting operations in three yards building steel cargo craft for Wartime Merchant Shipping. Labor Minister Mitchell in Ottawa declared their action "definitely illegal."

Mr. Mitchell said he would meet shipyard union delegation leaving here for Ottawa, but added, "so far as I'm concerned, the seven-day week in shipyards sticks. Will become fully effective for all workers immediately. We cannot change now. Could anything be more foolish than to slacken our ship production now?"

Machinists struck in protest against Federal order compelling members of union to adopt seven-day week.

All other union men are working.

Wanted 6-day Week

Disagreement as to the most effective working schedule for Canadian west coast shipbuilding plants threatened a serious stalemate last week, with the shipyard unions practically unanimous for a six-day week and the federal government and Wartime Merchant Shipping, the Ottawa-controlled crown company, determined to enforce seven-day week "continuous production."

Enforcement of the seven-day programme, which has been in effect on the west coast for several weeks, is the sequel to a visit by Mr. Mitchell who, after conferring with shipyard operators and representatives of Wartime Merchant Shipping, decided that more ships could be built under the seven-day plan on staggered shifts. That is to say, while individual workers would still work only six days a week, the yards would be in operation every day. Sunday would not necessarily be a day of rest, as it used to be universally before the Mitchell plan went into force.

Claim Plan Impractical

The union spokesmen claim that the seven-day programme won't work because of instability of the labor supply, lack of equipment and the organization necessary to maintain full operating schedules. They say that staggered shifts have led to dislocation and a break in continuity. And they argue that there has been too much "front office" administration based on theory rather than on practical knowledge of day-to-day routine in steel shipbuilding plant.

But the government and Wartime Merchant Shipping, to whose order scores of 10,000-ton steel cargo ships are being built not only on these coast but in the east, remains unconvinced and determined to keep the yards on the full-week basis, pointing to the logic that any industrial enterprise can accomplish more in seven days than in six. And they quote the record of United States yards, which they claim are also on a seven-day basis. They say that since the seven-day plan has been operative on the west coast, production at one of the larger plants has increased at least 30%.

The government, according to a statement issued through Wartime Merchant Shipping, declares its readiness to implement the seven-day order by providing the required men through the National Selective Service programme.

76-Day Building

"The new Canadian record of a west coast yard in launching a hull in just 76 days elapsed time from keel-laying sets a new high in performance and is a striking testimony to the fact that even the degree of continuous operation thus far obtained is proving successful," declares a spokesman for Wartime Shipping, headed by H. R. MacMillan, Vancouver, whose head office is now in Montreal and whose vice-president, Austin C. Taylor, is directing the company on the west coast.

"If all trades in that yard," continued the company representative, "had worked as scheduled during the past six weeks, undoubtedly several days would have been clipped off that time."

The government and Wartime Merchant Shipping take the position that the seven-day week is now law, having been supported by order-in-council, and that "drastic steps" will be taken if necessary to enforce it.

Just what is meant by drastic steps is not explained. Prosecutions might follow, and there has even been the suggestion that the military authorities would be asked to maintain the schedule, but the latter suggestion is discounted at present.

If it comes to a showdown, the unions probably would give in, but reluctantly, in the belief that their alternative plan would accomplish what everyone wants—more ships.

Ottawa Publishes M. & S. Controllers Salary List

By STAFF WRITER

OTTAWA.—Seven of Canada's 12 controllers in the Department of Munitions and Supply are serving without salary according to a return tabled recently in the House of Commons.

The information covering salaries and expenses of these officials since they were appointed, follows: Dates of appointment vary and extend in some cases as far back as June, 1940.

	Salary	Expenses
J. D. Lorimer (chemicals)	none	$1,305
C. B. Jackson (construct.)	$7,200	1,026
G. Bateman (metals)	none	8,139
Thomas Arnold (machine tools)	none	5,795
J. H. Berry (autos.)	9,000	937
G. R. Cottrelle (oil)	none	5,898
H. J. Symington (power)	none	none
D. B. Carswell (ship rep.)	8,000	3,179
F. B. Kilbourn (steel) ...	none	1,937
A. H. Williamson (s'plies)	8,000	979
A. S. Nicholson (timber)	none	5,962
G. S. Gray (transit)	7,500	909

Market Opinions

Halting, at least temporarily, the upward trend of almost two months, stock markets may be starting a test of the strength of the rise or may be reflecting the war news, in the opinion of commenators.

Barron's N.Y. (The Trader)—Capital fears the outcome of war taxes and widening governmental control of business. Calculations of earning power have been rendered impossible by "renegotiation" of prices on war contracts. Yet where taxes have forced dividend reductions, the stock market refuses to be discouraged. As for OPA, a subsidy system is already being advanced and as for price renegotiation it is far too early to conclude that confiscation of profits is contemplated. In face of all threats, industrial stocks have been advancing for two solid months. Impotency of selling thus demonstrated should be succeeded by effectiveness of buying.

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Head Office: 253 Bay Street, Toronto

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-41:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.4	46.5	76.0	76.9	67.0	71.2	60.3	84.6	65.2	63.9
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.3
Apr.	70.6	63.2	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
May	74.7	61.0	70.5	43.2	104.3	73.5	94.2	75.7	60.7	87.4	66.4	62.0
1942: Weekly Figures:												
June 4 ..	76.2	60.7	70.1	43.8	106.6	73.2	92.3	76.0	63.0	87.3	67.5	62.7
June 11 ..	77.4	63.0	69.8	45.1	109.6	73.8	94.2	77.8	65.6	87.8	69.9	63.5
June 18 ..	78.0	62.9	70.3	46.3	107.4	75.9	96.8	77.8	66.7	88.4	70.2	64.7

*High and low for years from 1929 to 1941 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 23	85.43	67.43	62.42	16.46
June 22	85.80	67.33	62.53	16.44
June 20	86.93	68.79	62.93	16.49
June 19	87.20	69.27	63.08	16.49
June 18	87.42	70.52	63.22	16.46
June 17	87.58	71.70	63.53	16.59
Month ago ...	83.49	67.19	63.76	16.10
Year ago	88.33	97.99	62.63	17.34
High 1942	93.50	83.71	71.01	18.86
Low 1942	79.85	61.04	61.29	16.00

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
June 23	43.9	57.3	52.8	59.71	44.65
June 22	44.3	57.6	53.1	59.18	44.73
June 20	44.8	57.9	53.5	59.95	45.37
June 19	44.8	58.0	53.6	60.17	45.37
June 18	44.7	58.2	53.7	60.31	45.52
June 17	44.5	58.1	53.6	60.17	45.66
Month ago .	40.5	56.1	50.9	55.68	41.74
Year ago ..	44.2	55.3	51.6	60.73	69.96
High 1942 ..	44.8	60.5	54.7	77.18	54.82
Low 1942 ..	39.6	55.0	50.0	54.58	36.94

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Descriptive folder from tourist agent or direct from Manager, Royal Muskoka P.O., Ontario. Muskoka Lakes
Motor Highways No. 11 and 69; C.N.R. and Bus to Muskoka Wharf; C.P.R. to Bala.

Investment Notes

Spruce Falls Power & Paper Co. is being extended tax assistance by the Dominion to complete a $925,000 addition to its mill at Kapuskasing, Ont. Increased pulp exports which will be possible are expected to bring in $1.3 million in U. S. exchange annually. The plans call for $570,000 to be spent on new buildings and equipment for a rossing plant, $195,000 for five circulating systems and $160,000 for a screen room.

* * *

Canadian Pacific Railway's dividend drought on the ordinary shares is not displeasing to one London banker, says The Times. Payment of a dividend, he says, would have involved endless trouble in establishing the claims of the rightful British owners of the hundreds of thousands of the shares which are known to be in "bad names."

Big blocks of C.P.R. ordinary shares are lying in the U. K. Security Deposit in Montreal, and on such as are in continental names the Custodian of Alien Property would be apt to claim any dividends. Shoals of transfers are being sent out to Canada, says The Times, in order to have the position regularized so that if an ordinary dividend should come along next year the rightful recipients may get their money without unnecessary delay.

* * *

A Toronto Stock Exchange seat has just been sold for $12,000, down $1,000 from the last previous sale. This seat, formerly owned by F. W. MacDonald, has been sold to S. C. Nickle, Calgary.

* * *

Canadian National Railways shows continued expansion in the volume of traffic handled is reflected in operating revenues of the Canadian National Railways. During May income totalled nearly $29.7 millions, an increase of $3 millions over the like month a year ago. All of the increased operating revenue was absorbed by higher expenses, leaving net revenue at $7.7 millions, or $19,149 less than in May a year ago.

* * *

Second Inter-State Royalty Corp. reports investments in oil royalties at a book value $282,613 at the end of last May. Gross revenue to April 30 last totalled $62,473 and reserve for depletion $17,180. During April the corporation had a gross income of $1,043 while accumulated royalty income for the first four months of 1942 amounted to $1,621.

* * *

Inter-State Royalty Corp's investments in oil royalties had a book value of $1,141.407 at the end of last April. Gross income to the end of March totalled $510,510 and reserve for depletion $139,655. In March the company had a gross income of $2,169 making an accumulated income for 1942 of $12,763.

* * *

Investment Foundation Ltd. annual meeting was a routine affair with reports adopted and directors re-elected.

* * *

Fraser Cos. has been granted special tax assistance by the Dominion Government on the ground that the company would undertake a $185,000 programme to increase production of sulphite pulp by from 4,000 to 7,000 tons a year and increase trade with the United States by $225,000 annually.

* * *

S.E.C. report of security transactions and holdings include the following of Canadian interest:

* * *

McIntyre-Porcupine—J. P. Bickell, officer and director, acquired 1,800 shares, holding 37,500.

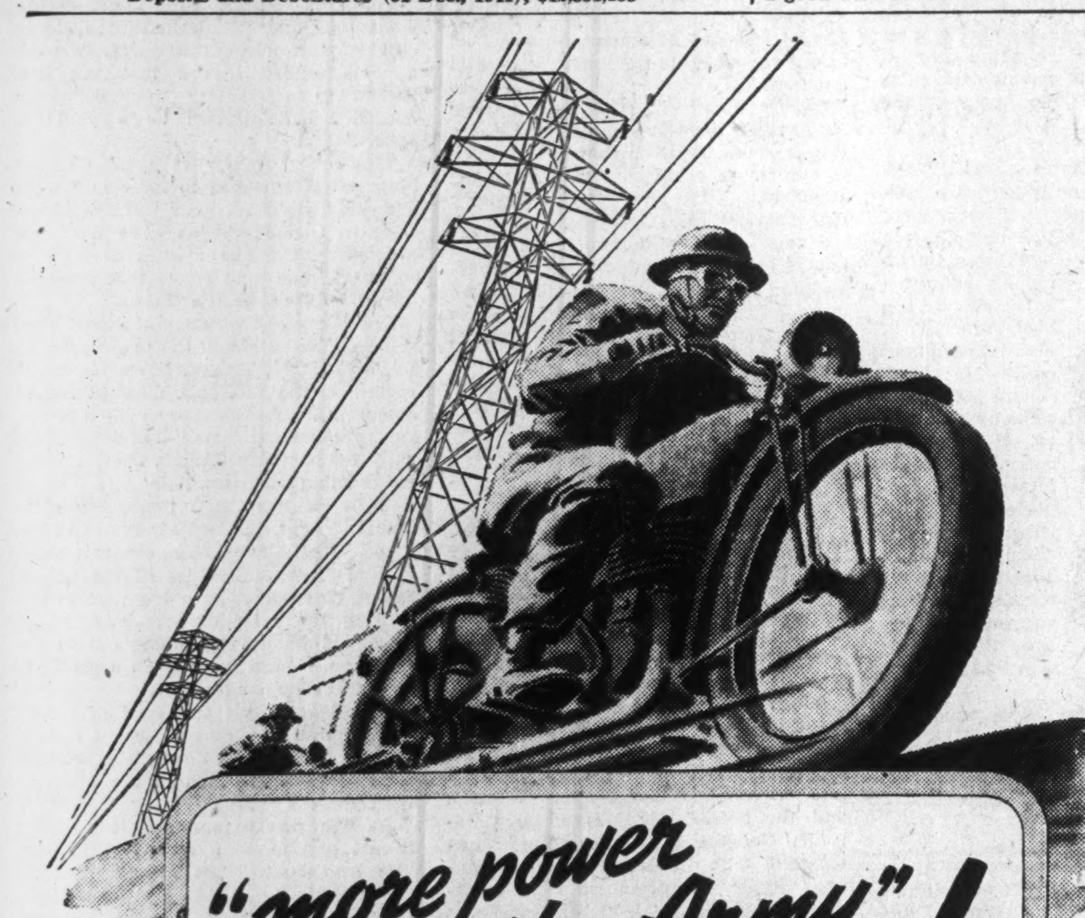
* * *

Hiram Walker-Gooderham & Worts—T. H. Gibbons, officer, holds 45 common shares and acquired 60 preference shares, holding 160.

Public Utility Earnings

B. C. Power Corp.

	1942 $	1941 $
Gross income	1,734,205	1,455,544
Less: Expenses	1,385,403	1,143,758
Int. & pfd. divds. ..	185,180	186,666
Avail. for A stock	163,622	126,120
Five Months Ended May	$	$
Gross income	8,696,675	7,534,236
Less: Expenses	6,611,635	5,558,426
Int. & pfd. divds. ..	929,191	935,329
Avail. for A stock	1,155,849	1,040,481



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Hats off to our Soldier Lads!
• The backbone of Canada's forces whose great day is yet to come.
• whose might will be needed to bear the brunt of the struggle.
• whose strength will finally weight the scales of Victory.

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The Editorial Page . .

Our Weapons Must Be Better

The Tobruk disaster once again and most pointedly emphasizes the urgent necessity for the United Nations immediately acting to make adequate use of their most potent weapon: that is the inventive and mass production genius of this continent, guided and inspired by scientists and production engineers like the McNaughton's and the Kettering's in which our continent is so rich.

A United Press dispatch from the Libyan front concludes that the defeat of our forces was the result of: German tank superiority, both in numbers and in quality; German flexibility in the use of one weapon for several purposes, such as the use of an 88mm. anti-tank gun for anti-aircraft work; excellent German and Italian artillery; superior German tank and equipment recovery, repair and maintenance service. In addition, this correspondent cited human factors: German superiority in tank and anti-tank technique; German superiority in generalship and staff work.

Those findings about our mechanical inferiority are extremely unpalatable. It is very difficult to believe that good use is being made of, or ample opportunity being given to, the brains and experience which have created such a civilization as ours.

Our industrial genius has put this continent on wheels; it has made machinery the servant of every housewife; it has given the world's highest standard of living.

Given a free hand, flashed the simple "go ahead" signal, our top industrial brains can translate the needs of our modern armies into realities that will make Tobruk the last of a much too long list.

This Situation Is Intolerable

It is to be hoped that the Dominion Government will act quickly and effectively in enforcing full production in British Columbia shipyards. Here, within less than 100 miles of an actual torpedoing, and a shelling, some yards have been dallying along on a single eight-hour shift, six days a week. While American shipyards have now speeded production to a point where a 10,000-ton freighter can be built in sixty days, and one Canadian west coast yard has done the job in under 80, at least one B. C. shipyard has taken over six months for the same job.

The greatest need of the United Nations today is more ships. Without them the huge armament production of the United States and Britain will be of no avail. We must stop Japan and Germany on the far side of the Atlantic and the Pacific, not wait until we are attacked on our own shores.

If Canadian workers in some of our vital shipyards fail to realize this fundamental responsibility, then the government has no other course than to step in and speed up output. We cannot afford to have steel, engines and other valuable equipment tied up one minute longer than is absolutely necessary. Workers who insist on deliberately hamstringing war production with minimum peacetime working schedules are saboteurs. If they persist in their present course, the government should withdraw their military exemptions and turn over their tools to someone more willing to work.

The Facts Are Good — Tell Them

The best way for business to play its part in preserving the Canadian way of life is to be frank about itself. The great majority of enterprises have a record in which both they and Canadians generally can take pride; records of public confidence well justified, work well done, opportunity well accounted for.

For decades The Financial Post and other publications of The MacLean Publishing Co. have been urging on business that it stand up for itself in the very simple and extremely effective way of telling about itself.

Last week, The Financial Post reported what The MacLean Publishing Co. said about its stewardship in the last year. This is the report of a publishing house, in whose stock the public has no interest and which last year had a revenue of over $4 millions.

Here is where the money went: some 52% in wages, 28% in materials, paper, ink, engravings, etc. About 96% is accounted for in direct out-of-pocket expenditures. This leaves 4% for interest and dividends on the capital invested and for building up a surplus to meet any period when earnings may be lower.

The plain story of business is good. It shows the basic soundness of the democratic way of life. Business ought to tell its story as often as possible and as plainly as possible.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and man power, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme to deal with postwar employment and relief problems.*

Suppressing Half the Picture

Discussing the possibility of the Quebec government taking over the electrical utilities of the province, a C.C.F. publication claims that public ownership would result in wide extension of services.

This indicates ignorance of today's facts. Every Quebec utility enterprise today is serving areas whose consumption is not enough to pay for the service and without a cent's worth of help from government either.

Proceeding to the social implications of power supply, flood control, navigation facilities and related factors, the same item regards these as "telling arguments" which "render public control of power services almost imperative."

Again there is complete failure to mention the very relevant fact that no company can extend its lines, build a new power house, use additional water, establish higher or lower rates, issue bonds or stocks, or make any important change in its operations without approval of the provincial government.

Leaving a Sound Incentive

The man who has the biggest money-raising job in Canada has again gone on the record proclaiming that revolutionary socialist schemes for 100% taxation of profits in wartime would eventually bring disaster and would meanwhile seriously hinder the war effort.

The man is C. Fraser Elliott, Canada's Income Tax Commissioner. He was recently guest speaker to the Men in Finance Club at New York University. He said:

> "A deadline for profits in the form of 100% tax in a capitalistic system is the frustration of its basic principles and the destroyer of hope, for without hope, even though hope take the form of an after-the-war partial refund, industry wanes."

Mr. Elliott emphasized the national importance of a tax structure which serves national economic ends as well as raises revenue; especially that taxation must "leave business always with a profit incentive although diminishing in percentage, having regard to the increasing volume of business."

The Income Tax Commissioner's views deserve the respect of all concerned with preserving Canadianism. They emphasize the necessity for Canadians seeing clearly the fact that socialist programmes like that advanced by the C.C.F. must inevitably mean sweeping away basic Canadian political institutions and the freeman's way of life.

We're Also Much Concerned

"What a grand thing for Britain if they have the sense to send him as the next British Ambassador to Washington."

An Englishman by birth who has lived in the U. S. for 30 years was heard to make that comment following an address in Toronto recently by the outstanding British legal figure Sir Norman Birkett.

Though Canada has nothing to do with such an appointment, Canada has almost as much interest as Britain itself in getting good U.K. representation in Washington. The future of our civilization depends, as much as on anything else, on the manner in which Whitehall and Washington "hit it off" after the war. Furthermore, because of Canada's relationship with Britain and the confusion about that relationship which still exists in many U. S. minds, the Dominion's relations with the U. S. are bound, in the public mind, to be gravely affected by the U. K.'s relations with the U. S.

It has been very widely held that the effectiveness of British representation in the United States was slipping for some years before September, 1939. This is not a criticism of the individual ambassadors still less a criticism of the present incumbent.

But it has been a tragic fact, and a fact that has hurt Canada, that all too many representatives of Britain below the rank of Ambassador—embassy staff men, etc.—have failed in what should be the first qualification of a British representative. They could not disguise (and some scarcely tried to disguise) their lack of affection for America.

The demands of Uncle Sam on a British Ambassador are quite modest. But he does prefer to do business with people who like him.

Mr. Justice Birkett likes Americans and America. If ever he should find himself moving into the British Embassy at Washington, his robust common sense is sure to guide him in the selection of minor Britons for the Embassy staff who will accurately reflect the warm friendship for and goodwill toward Uncle Sam with characterizes the mass of the British people.

Our Chance for a Better World

A few weeks ago Viscount Bennett made a speech in London in which he envisoned the restoration after the war of "the United States of the British Empire," based upon Imperial preferences. He seemed to despair of achieving an "international economy."

There are certain groups in Britain who hold similar views; who feel that Empire tariffs must again be the main thread in the fiscal pattern of all the Commonwealth countries. The Empire Industries Association, headed by Lord Croft and Col. Amery, both members of the Churchill ministry, preaches this view. It warns repeatedly of the threats it sees inherent in the Atlantic Charter and the subsequent Lease-Lend agreement (which reiterated the trade policies of the Atlantic charter). It argues, in its latest bulletin, that Canada, the other Dominions and the "Colonial Empire" need the protection of Imperial Preferences. In the case of Canada it suggests that the alternative would be "an eventual domination of the Dominion by the Republic by sheer weight of numbers and financial strength."

Such discussions can only serve the purpose of building up distrust in the economic objectives and political objectives of the United States. They suggest that the American trend away from prohibitory tariffs does not represent a genuine repentance by Washington.

Such an economic clash between the Empire and the United States is a possibility; but a remote one. It need never come into being. Britain and the United States have subscribed jointly to a declaration, in which they undertake, after the war, to promote all those policies which promise "a betterment of world-wide economic relations," including "the elimination of all forms of discriminatory treatment in international commerce" and "the reduction of tariffs and other barriers."

This should be the policy of all the English-speaking nations. By their leadership they can bring the world to economic sanity, thus reducing some of the major causes of war.

The Financial Post, since the day it was founded, has supported the principle of Empire preferences. But it has always believed that implicit in Imperial preference should be these understandings:

1. That Imperial preference is not to be regarded as a scheme for building up British industry while keeping the overseas Dominions as raw material and food producers only.
2. That Imperial preferences should be contrived to free trade rather than to bind it.
3. That the ultimate aim should be to bring into this expanding free-trading area the United States, as soon as it was ready to abandon its policies of prohibitive tariffs.

American policy under Hull and Roosevelt has undergone a complete reversal. Today the United States is reaching out a friendly hand of economic co-operation to the Empire and to the whole world. The hand should be grasped.

For the old-fashioned type of Imperialist to preach the doctrine of a closed economic preserve at the very time when the United States stands ready to join with us in a postwar policy of unloosening the shackles on commerce is block headed toryism to which Canada should not be a party.

We are glad to give the United States a chance to help democracy win the war and we should be equally glad to have their promise of aid in winning the peace.

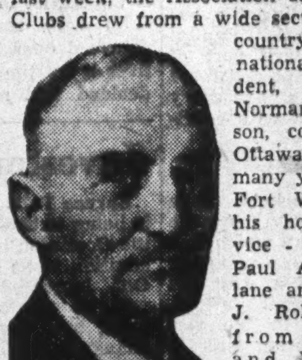
—Cartoon by Grassick.

Vancouver—The shipbuilding situation on the west coast reached a showdown when 1,000 members of the Machinists Union walked out, disrupting operations in three yards building steel cargo craft for Wartime Merchant Shipping. (News Item.)

Post-Scripts . . . . .

Canadian Clubmen

In their national executive, which is elected for a two-year term, at Toronto last week, the Association of Canadian Clubs drew from a wide section of the country. The new national president, Senator Norman M. Paterson, comes from Ottawa, but for many years listed Fort William as his home. The vice-presidents, Paul A. McFarlane and Mrs. F. J. Rolston come from Montreal and Vancouver, respectively



SEN. PATERSON

Senator Paterson was born at Portage la Prairie just a little less than 60 years ago, started out at the early age of 14 as a railroader.

Like the West itself, his interest gradually switched from railroading to grain where his head office was at Fort William. His own firm, set up in 1908, owns a large string of country elevators scattered across the Prairies, a terminal elevator at Fort William and a line of lake freighters numbering over 30.

Grain and shipping was Mr. Paterson's main business until he settled down in Ottawa as a senator two years ago, but not by any means his only business. He is interested in Fort William real estate, in lumbering and power projects around the head of the lakes, and holds directorships in several nationally operating companies. In private life he is best known for his paintings, being credited with one of the finest private collections in Canada. This includes many of the old masters.

* * *

Paul McFarlane has been a Bell Telephone man from the very start. His whole business career has been spent with that company which he joined in 1904 after finishing his education in the private and high schools of his native Montreal.

MR. McFARLANE

Paul McFarlane came by his interest in telephones naturally. His father was connected with the telegraph business when the still doubtful field of telephones was suggested by the late P. F. Sise, father of the present Bell president.

At that time there were numerous small telephone companies in Canada, but little connection between them. The telephone was looked upon mainly as a feeder of the telegraph.

To his friends, Mr. McFarlane, is known as a pioneering and adventurous spirit, ready to try any reasonable experiment that will add to his quota of knowledge.

* * *

Warden of the West

As he busies himself these days with the big task of organizing Pacific Coast defenses to meet the Japanese threat, Lieut. General Kenneth Stuart, Canada's chief of staff, may think occasionally—with a quiet smile—about his part in coastal defense in the last war.

LIEUT. GEN. STUART

He was then a young lieutenant, eager to get overseas and highly annoyed about having been posted to searchlight duty on a hill overlooking Halifax harbor. Not only was there nothing to spot with the searchlight, but he was living in a tent, and it was winter. Every other night a gale would whip up off the Atlantic and blow his tent away, and he would have to go chasing the fugitive canvas over the snow in his pyjamas.

In 1915, when he left Canada as commander of the 1st Troop Company, Royal Canadian Engineers, he was glad to wave good-by to the searchlight—and the tent.

Once in France he soon made a name for himself. On the Somme front, there was a river which had to be bridged so our troops could advance. When the attack began, the river was in territory still held by the Germans.

Stuart set out with two tanks which hauled trailers heavy-laden with bridge-building materials. One tank bogged down in the mud; the other developed engine trouble. The materials couldn't be brought up to the point where they were needed. But Stuart led his men on under heavy shell-fire, blew up several houses that stood on the riverbank, and built a bridge with timbers salvaged from the debris.

They Tell Why

The records, in their dry official way, explain that this and similar deeds were the reason he returned from the war wearing the D.S.O. and the M.C.

General Stuart's charming wife, member of a noted old Halifax family, is no one to let anybody get a swelled head over a couple of medals. When someone reminds the chief of staff that he has the D.S.O. and the M.C., Mrs. Stuart is quite likely to interject that she has him beaten because she has a V.C. and an M.C.—the "V.C." for Victor Cuthbert and the "M.C." for Marguerite Coldridge, General and Mrs. Stuart's two children. The day last year when Kenneth Stuart was promoted from brigadier to major general, Victor Stuart was promoted from flying officer to flight lieutenant, so the family had a double celebration.

The rank Kenneth Stuart now holds, lieutenant general, is the highest in the Canadian army. One other man has the same rank—Lieut. General A. G. L. McNaughton. General Stuart stayed with the permanent force after the last war, held various commands in the West, went to Ottawa as assistant director of military intelligence, then, as a brigadier, spent four years as second in command at Royal Military College, his alma mater. He hadn't liked lectures and examinations when he was there as a student, so, as a member of the staff, he did away with them as nearly as possible. He also revamped R.M.C.'s basic course in civil engineering.

Then back to Ottawa, this time as director of operations and intelligence, then back to R.M.C. as commandant, then back to headquarters as vice-chief of staff to Major General H. D. G. Crerar. As vice-chief he went overseas to learn the lessons of the present war. When Crerar took command of the 2nd Canadian Division, Stuart succeeded him as chief of staff.

Very Gifted Father

Born in 1891, at Three Rivers, Que., Kenneth Stuart was brought up in a rambling stone mansion built by the Recollet Brothers as a monastery three centuries ago. His father was Rev. H. C. Stuart, rector of St. James Church, a noted horseman, an artist, a scholar and a musician, and altogether one of the most gifted Canadians of his day.

The general is hardly less versatile than his father. He has not only distinguished himself as a military tactician, but as an editor and diplomat. For years he edited "Defense Quarterly," an official military publication. He became a diplomat as our army's first representative on the Joint Canada-U. S. Defense Board, and incidentally struck up a great friendship with the American chairman, New York's Mayor La Guardia.

In Washington, attending a meeting of the board, General Stuart sat beside General George Marshall, United States chief of staff, at a dinner party. There is a well-founded legend that the talk turned to a military manual which Marshall had written as a youthful officer.

"The only review it got," General Marshall is reported to have said with a smile, "was from your Defense Quarterly in Canada, which gave the book a great puff. I've always wanted to meet the man who wrote that review."

He Got the Tanks

The tale goes that General Stuart himself was the author of the review. That's the legend. No legend, but a matter of record, is the fact that General Stuart emerged from the dinner with a promise from General Marshall of 250 ancient U. S. tanks which Canada badly needed for training purposes.

Now he has taken temporary command of land, sea and air forces in the Pacific area, he will be in constant touch with defense authorities of the United States. He will play a big part in executing the joint defense plan which he had a hand in mapping out in the first place. That he will do a good job is a foregone conclusion.

Tall, lean, witty and fond of sports, the general is a down-to-earth sort of person, thoroughly democratic, and as popular with the men in the ranks as with the officers.

As one private summed it up after Stuart had made a camp inspection—"He may be a brass hat but he's no stuffed shirt."

* * *

Stop Me If . . .

Accompanied by his son, Sandy entered a tavern, where he handed over a jar and asked for it to be filled with whisky.

When this had been done he found he'd left all his money at home. So, with a cynical smile, the landlord poured back the whisky.

"That was an' awfu' peety," said the son when they were plodding home again.

"Wheesht, son," replied Sandy warningly; "jist wait till we get hame an' ye see me squeezing oot the sponge."

Other People's Views . . . .

The Canadian Editorial of the Week

Irrelevant Debate
Montreal Gazette

Taking the lead which Prime Minister King set for it, Canada's House of Commons is giving this and other countries an altogether discreditable exhibition of evasive footwork.

The paramount need of the Dominion is either forgotten or deliberately obscured in a political sparring display which Canadian citizens who recorded the majority "Yes" vote on April 27 must find humiliating, even a bit nauseating. There is nothing in it of the fine war spirit which animates the Canadian people. Above all there is no courage in it.

Courage and party politics do not go well together, indeed we have the cynically candid admission of the Minister of Agriculture, Mr. Gardiner, that only a national government can enact a conscription measure, another way of saying that party government, the kind of government which Canada now has, must always stand between the people and the all-out war effort they have demanded. Only among Canada's enemies is a situation of this kind likely to meet with approval and acclaim.

There is no disillusionment in what is happening at Ottawa, because there have been no illusions. There is, however, a sense of repugnance and shame, shame over the weakness of party politicians when faced with a national issue, repugnance over the wholly undeserved advertisement which Canada is getting from its elected representatives.

The Canadian House of Commons is not among the democratic institutions which make this war worth while but friends and enemies of Canada alike should know that in this instance Parliament is neither speaking nor acting for the people. The skirts of only one group in the House are reasonably clear.

Conservative Leader Hanson has interpreted national selective service as the placing of every man at the task for which he is best fitted. Mr. Gardiner jibes at this as a totalitarian conception, but it is the principle of the National Resources Mobilization Act itself. John Diefenbaker, Conservative (Sask.), challenged on his position, very promptly went on record for "selective service for overseas immediately," but these occasional gleams of light do little more than show how dark and forbidding the rest of the picture really is. Rather than permit this debate to sink to even lower levels the House might better close it and allow the people of Canada to cut their losses.

* * *

The Mail-box

Sunday Recreation

Editor, The Financial Post:

In a recent statement in the House of Commons regarding the question of granting permission to United States war trucks to enter Canada, the Hon. C. D. Howe, Minister of Munitions and Supply, mentioned that he was more concerned with the conservation of rubber than the matter of transportation. Being in the rubber goods business myself I fully realize the seriousness of the rubber situation and the necessity for conservation.

It has occurred to me that a considerable amount of rubber and gasoline is consumed unnecessarily in the Province of Ontario by Sunday drivers of automobiles. It is my opinion, and the opinion of other members of the Toronto Board of Trade, that most of the Sunday driving is done by people who have nothing else to do. I definitely think, and many businessmen agree with me, that if the motion picture theatres and ball parks in Ontario were opened on Sunday afternoons (as they are in the Province of Quebec) a considerable saving in the consumption of rubber, gasoline and alcohol would be effected.

I am of the opinion that winning the war is of more importance than subscribing to the religious prejudices of a small but vociferous minority.

Great Britain and the United States appear to be making quite as good a war effort as we are, and they have no restrictions on reasonable entertainment for the people on Sunday afternoons.

T. W. NIBLETT,
Toronto.

* * *

As Others See Us

Postwar Regimentation
Swift Current Sun

Will the restrictions and certain imposed regimentations which Canadian people are taking without a shudder in the interests of total war, continue with us when peace comes? That is a question which undoubtedly is worrying many people.

Will business have to wash behind the ears every morning watched by a government board; will rugged individualism be a thing of the past; will private business enterprise be given a chance to stand on its own merits and progressive initiative.

The Financial Post in an editorial deals broadly with this subject, and wants to know if permanent regimentation is to be the reward for our sacrifices. "If that is so then it may well be asked, what is the point in fighting totalitarianism if all we can see at the end of the road is a totalitarian state for ourselves."

That the government is at least thinking on this very problem is indicated in a speech made at Hamilton, Ont., recently when Labor Minister Humphrey Mitchell declared that, "every precaution is being taken to ensure that privileges or other special conditions temporarily abandoned are restored after the war."

The Financial Post, however, holds that a more emphatic declaration will be necessary.

* * *

International Family Reunions
Elora Express

The Financial Post pointed out recently that it would tend to promote cordial relations between the two countries if U. S. pleasure travel restrictions were removed at this stage of events and that their removal would not only help to maintain goodwill but would "sell" Canada to potential American tourists who would bring in many American dollars to help maintain our trade balance.

It may have been necessary in the early stages of the war but the time seems to be passed for this particular brand of nuisance legislation.

If our efforts to conserve gasoline and to cut down on luxuries for the purpose of winning the war are not running a parallel course they should be, and it would seem that facilitation of travel between the two countries would be as good publicity as we could devise in our mutual interests.

* * *

Remove Border Bars
Midland Free Press

The Financial Post maintains that if Canadians were allowed to visit the United States freely they would not only offset German propaganda but would sell Canada to potential U. S. tourists who would bring into Canada more dollars than Canadians would take out.

Trade alone is insufficient for the development of proper feelings between allies in a common war. We cannot afford to restrict any contacts.

* * *

Sayings of the Week

"The essence of democracy must be a balance between the organizing power of the state and the driving power of the free individual, and we must foster both."—*The Times, London.*

* * *

"Looking at Mr. King in the House, you would never know that he had a care in the world. . . . Such a man is utterly baffling to an opposition and impossible for an enemy to get his hands on."—*Bruce Hutchison.*

* * *

"It becomes increasingly difficult to get information from government departments, particularly if any mistakes have been made. It is perilously easy for those who have made mistakes to feel that it will give comfort to the enemy if the mistake is acknowledged . . . We [illegible] asked, without any yardsticks, to ass[illegible] efficiency."—*J. M. Macdonnell, President, National Trust Co.*

What the Papers Are Saying

Too Confident
Minnedosa Tribune

Jack Canuck has a high morale, but there is something not quite right about his state of mind. He is too confident. John Bull is not so much confident as grimly determined to win. The Russian is too violently engaged to feel much more than the terrible urgency of the struggle. Even Uncle Sam is too busy whipping himself into shape for combat to entertain a very high opinion of his progress. The Chinese player doesn't bother much about the state of his morale—just keeps trying to survive.

Until Jack Canuck gets into the same state of mind as the Russian and fights with a glaring-eyed desperation, his high morale will continue to be an over-confidence hampering the tremendous efforts of which he is capable.

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Cutting the Costs in Canadian Business

White Elephants For Sale

New Board Seeks Re-distribution of Surplus Stocks

By ROBERT C. STARK

For the past few weeks white elephants have been in brisk demand in Canada. To help that trade there has been set up a special department of the Wartime Prices and Trade Board which carries as its slogan "Wanted—Dead Merchandise for Live Buyers."

With many manufacturers swinging over to war supplies there has been left idle in storage rooms and assembly shops large stocks of miscellaneous items such as nuts, bolts, brackets, hinges, etc., used in the company's peacetime production but no good for the war material now being turned out. This condition has been found to be particularly true of the metal trade where there has been a wide-scale conversion to war work but the same holds true for other industries.

On the other side of the picture is the fact that with supplies of metal items for civilian use tapering off there is a great demand by manufacturers for just such items as those with which other companies have been left stranded.

To supply machinery to get these potential buyers and sellers together the W.P.T.B.'s Division of Simplified Practice set up a Dormant Stocks Department and told J. A. Smith to see what he could do with it.

Heavy Unused Stocks

Subsequent investigation has discovered that the inventories of many manufacturers contain many items of perfectly good merchandise for which they have no use at the present time. Indications were that there were countless tons of such goods, neither helping the war effort, benefitting the owner, nor serving anyone else. Holders of these materials in many cases figured that it was just their bad luck to be loaded up with a lot of unusable material, and the only thing they could do was sell it off as junk.

In the right hands these surplus stocks are worth far more than old metal prices while, in addition, the buyer has obtained a fresh quantity of material that might otherwise be in scarce supply. Task that the Dormant Stocks Department has set itself is to see that such material does get into the right hands.

No Junk Wanted

This Department deals only in excess or surplus stocks. Its activities do not involve salvage junk or frozen items, only materials for which the present owner has no further use. It is a non-profit service with the sole objective of bringing together the buyer and seller. Sales are made directly between the two principals involved and no commissions are expected or accepted.

This is a very new programme but already substantial results have been obtained. The Dormant Stocks Department has turned up hundreds of varieties of copper and brass rivets, bolts, screws, rods, dies, drills, tubing, steel bands and bars, etc. Those items represent hundreds of dollars worth of stock that circumstances have forced putting in the surplus or obsolete stock category.

Each item is carefully tabulated by the Department with first call on every list being given to the Department of Munitions and Supply. After that a trade expert goes over the lists and picks out companies he thinks would be interested in buying the materials involved. These companies are advised that such a supply is available. They are not told what manufacturer has the stock on hand, the negotiations to date being carried on through the use of code numbers.

Should the prospective buyer show interest in the offer, he advises the Department which then informs the manufacturer who is to get in touch with the buyer. When the sale is negotiated the manufacturer again advises the Department which strikes off the material sold from the list of surplus stocks available. Thus the Department is instrumental in moving big quantities of stock at a minimum of trouble to the principals.

C.M.A. Takes It Up

A big increase in the scope of the Dormant Stocks Department's work is immediately in sight. Impressed by the programme's early achievements the Canadian Manufacturers Association has given its full endorsation. In the past few days the C.M.A. has circularized its 5,000 members explaining details of the project and suggesting they co-operate by sending into the Department lists of their surplus stocks. The Toronto Board of Trade and the Canadian Chamber of Commerce are doing similar work in informing their members of the plan. When the lists from all these start rolling in and a thorough compilation is made some real action will be possible through the Department's clearing-house machinery.

This co-operation by the trade associations has been heartily greeted by the Department. Its early triumphs have shown just how valuable its work can be in easing the load from some firms and helping the production of others. Its machinery is now completely set up and from the anticipated results of the moves by the various associations that machinery is about to get a thorough testing.

Speedy Action

Manufacturers who have resigned themselves to being loaded up with a lot of unusable material have had their eyes opened by the speed with which the new Dormant Stocks Department operates. For instance, one company had on hand a large quantity of cadmium plated box rivets it was no longer using and had put in their obsolete column. Hopefully, it told the W.P.T.B. of the situation. Three days later, through the efforts of the Dormant Stocks Department, an order for that supply of rivets was negotiated.

A large prewar manufacturer of washing machines reported a long list of surplus stock. The new department went to work on that list and within a very few days several wholesale hardware dealers had snapped up most of the lines.

Premium Supply

A fruitful source of unusable materials is expected to be those companies which have been giving away premiums as sale inducements for their merchandise. A sparkling example of the work possible in this direction has already been secured. One company had been giving away toy airplanes with its product and when that practice was dropped this company found itself loaded up with 96,000 planes for which it had entirely no machinery to market. Junking the stock or, at best, accepting a substantial loss seemed the only outlook. That situation has been taken in hand by the Dormant Stocks Department and at the present time over three quarters of that supply of toy planes has been placed with dealers throughout the country at an actual profit to the company.

All this type of business is not in small materials. One firm found it had no further use for two electric furnaces and the Department is now working on that valuable item. Another company reported that with the manufacture of trucks and trailers for commercial use frozen it had on hand several trailers built for customers and cancelled due to the fact the customers were unable to get the necessary permit to purchase the equipment.

One of the most surprising things about this whole programme is that to business it is actually something for nothing. It provides an outlet for dead inventories minus the headaches and entirely without cost to either the buyer or seller. All the lining up on both the buying and selling side is done by the government's new board which is supported entirely by the government, no commissions or fees being involved.

Co-operation with the plan is being asked of business generally to check inventory from cellar to stock room. Each company may have something it is not using but someone else may need. Benefit of the programme is two-fold. For the seller it means getting rid of material that meant money tied up on his shelves for the buyer and for the war effort it means making available a supply of actually essential materials that are now in short supply.

The Week in Business

High level of business operations was more than maintained in May, as the revised Financial Post business index indicates. Certain businesses, such as construction, newsprint, meat packing and dairying showed moderate declines, but such lines as milling, railways and exports were all more active.

The Financial Post index of business activity for May rose half a point to 168.5. The past several months have seen this index comparatively stable but as compared with a year ago it is 11.4 points higher.

Gold receipts at the mint in May, at 393,710 fine ozs., were down about 55,000 ozs. For the first five months this year, a decline of about 163,000 ozs., or 7.6%, is reported.

Dressed lumber exports in May were up to 172,854 m. bd. ft. from 152,756 m. bd. ft. in May, 1941. For the first five months this year, however, there has been a decline of 10.3%.

Cotton consumption in Canada's textile mills is down from 17.9 million lb. in April to 17.1 million in May but is still well above the 16.5 million lb. used in May, 1941. For this year to date there is a gain of about two million pounds, or 2.3%.

Bank debits in May this year were about $225 millions greater than a year ago and for the first five months this year there is a gain of about $3,255 millions, or 22.3%.

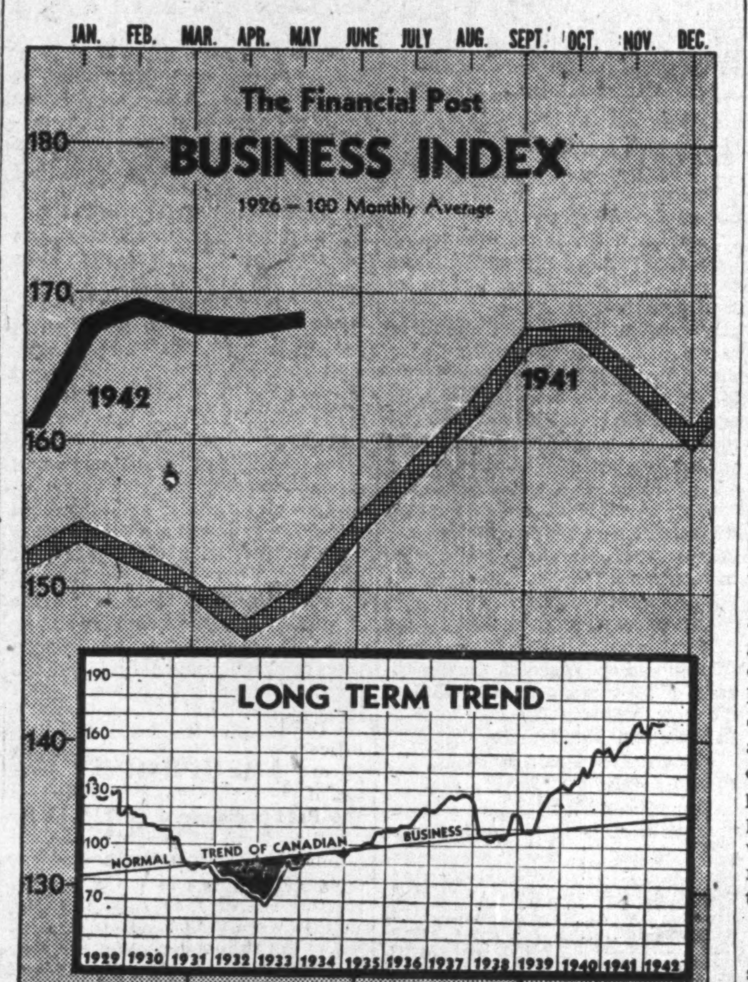
Life insurance sales in May totalled $40.3 millions against $36.2 millions in the corresponding months a year ago. The gain to the end of May this year is about $34 millions, or 21.3%.

LATEST FIGURES AND INDICES
New items this week marked ▪

	May	Apr.	Mar.	Feb.	Year Ago
▪The Financial Post business index	*168.5	168.0	168.2	169.2	157.1
Dom. war expend. (million $) ...	204.9	142.2	....	132.9	90.3
Dom. total revenue (do.) ...	333.9	170.8	....	109.7	224.4
Dom. total expend. (do.) ...	386.2	247.5	....	163.7	130.8
Retail sales index no.	....	155.7	161.4	154.7	135.1
Dept. stores sales index no.	....	148.5	156.9	142.7	133.4
Wholesale sales index no.	....	154.5	155.1	136.1	141.6
Country store (% change pr. yr.)	....	+14.0	+13.8	+15.3	+13.3
Divd. payment index♦	120.9	121.0	121.1	121.3	120.4
COST OF LIVING—					
D.B.S. index	116.1	115.9	119.9	115.7	109.4
EMPLOYMENT INDEX Nos. D.B.S.—					
All industries	....	165.2	165.1	165.4	141.3
Manufacturing	....	199.4	195.7	191.2	158.2
Payroll (June 1/41=100) (b)	....	121.6	119.4	118.5	....
Payroll index (a) (1937=100)	....	186	191	178	156

	1942	1941	Jan. 1 to date 1942	Jan. 1 to date 1941	% Change
RAILWAYS—					
▪Carloadings (week June 13)	65,388	64,478	1,505,742	1,366,359	+10.1
▪C.N.R. gross (week June 14) $	6,917,000	5,864,000	151,865,000	127,864,000	+18.7
▪C.P.R. gross (week June 14) $	4,654,000	4,275,000	109,139,000	89,726,000	+21.6
▪C.N.R. net revenue (May) $	7,769,691	7,788,841	30,072,950	25,279,769	+18.9
C.P.R. net revenue (Apr.) $	3,556,147	3,149,165	13,540,158	11,669,571	+16.0
IRON AND STEEL—(April)—					
Pig iron production (tons)	160,408	115,725	634,653	447,568	+41.8
Steel ingots and castings prod. .... (tons)	264,988	224,761	1,032,828	845,780	+22.1
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* .. (Apr.)	1,676	16,115	12,721	39,826	—68.1
Factory output ... (Mar.)	3,192	12,093	11,430	34,730	—67.1
Trucks and Buses:					
Domestic sales* .. (Apr.)	1,840	4,762	10,460	12,885	—18.8
Factory output ... (Mar.)	16,996	13,951	50,690	38,219	+32.6
Financing:					
Used .... (Apr.) $	1,585,422	6,656,680	6,250,571	16,273,505	—61.7
New .... (Apr.) $	903,106	5,695,909	4,520,047	13,649,970	—66.9
CONSTRUCTION—					
Contracts awarded . (May) $	23,895,400	40,875,600	88,191,000	129,719,100	—32.0
Cement prod., bbls. (Mar.)	399,952	378,306	982,708	963,052	+1.9
AGRICULTURE—					
Flour prod., bbls. .. (Apr.)	1,960,900	1,660,897	6,908,582	5,777,126	+19.5
Flour exp. bbls. ... (May)	921,843	1,340,686	4,755,927	3,711,216	+28.1
Cattle sales▲ ...... (May)	72,939	80,191	432,270	393,622	+9.8
Hog sales▲ .... (May)	496,136	444,858	2,722,179	2,510,235	+8.4
SEA FISHERIES—‡					
Catch, cwts. .... (Apr.)	347,300	373,300	2,389,840	1,709,800	+39.8
Landed value ...... (Apr.) $	1,318,000	1,068,000	3,587,300	2,786,000	+28.7
NEWSPRINT—					
Production, tons ... (May)	251,831	284,767	1,415,412	1,347,437	+5.0
Exports .... (May) $	11,868,000	12,572,000	62,153,000	56,489,000	+10.0
MINING AND OILS—					
Coal prod., tons .. (Apr.)	1,511,872	1,232,801	6,749,256	6,059,162	+11.3
Coal import, tons .. (Apr.)	1,731,543	516,736	4,487,581	2,258,129	+98.7
▪Gold rec., fine oz. . (May)	393,710	448,436	1,971,493	2,134,248	—7.6
Crude oil, imp. gals.† (Apr.)	126,338	79,922	375,088	261,046	+43.7
ELECTRIC POWER OUTPUT—(April)—					
Total monthly, 1,000 kw.h.'s	3,082,740	2,693,353	12,394,420	10,366,931	+19.5
FOREIGN TRADE—♦					
Imports .... (Apr.)	$141,946,063	106,268,419	548,514,620	402,264,731	+36.3
Exports .... (Apr.)	169,997,596	118,393,094	667,451,667	410,828,290	+62.5
OTHER INDUSTRIAL FACTORS—					
▪Dressed lumber exp.: 1,000 bd. ft. ...... (May)	172,854	152,756	701,305	782,052	—10.3
Shoes, prod., pr. ... (Apr.)	2,774,128	2,691,248	10,785,695	9,332,440	+15.5
▪Cotton consump., lb. (May)	17,064,741	16,502,650	84,656,640	82,704,476	+2.3
Raw rubber imp. lb. (Apr.)	17,023,133	5,669,217	38,523,612	36,901,434	+4.4
Cigarette cons., No.† (Apr.)	767,456	616,466	3,076,734	2,489,228	+23.5
Sugar manufactured .. lb.§	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—					
▪Bank debits† ...... (May) $	3,790,964	3,265,872	17,824,665	14,569,469	+22.3
Bond sales† .... (Apr.) $	100,891	81,157	1,376,993	321,300	+328.8
▪Life insurance sales (May) $	40,336,000	36,172,000	194,882,000	160,596,000	+21.3

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants.
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
♦Supplied by Nesbitt, Thomson & Co. *Preliminary.
(a) Compiled by Canadian Bank of Commerce. (b) All Industries.



May Business Shows Fractional Gains

The Financial Post index of business activity remained relatively stable in May, rising half a point from its April level. Difficulty encountered by industries engaged in production of civilian goods is now making itself felt. Heavy production of war materials is being counteracted by contraction in other lines.

Mineral production continued at a high level. The milling industry was more active but some reduction in activity for meat packing and dairy production industries, particularly after seasonal adjustment, became evident. Newsprint production reflected higher labor costs and restricted demand in principal markets. The construction industry realized less than a normal seasonal expectation for new business. Movement of railway freight and merchandise exports, on the other hand, were at a considerably higher level.

Major Economic Factors

		May 1942	May 1941	Increase+ Decrease— %	April 1942
F. P. business index	1926=100	168.5	157.1	+7.3	163.0
Bank deposits	1926=100	167.6	150.1	+11.7	169.8
Gold receipts	fine oz.	393,710	448,436	—12.2	413,161
Silver shipments	fine oz.	1,694,160	1,457,375	+16.2	998,001
Cheese, factory production	lb.	24,276,008	16,853,938	+44.0	11,558,430
Butter, creamery production	lb.	29,167,784	33,190,284	—12.1	17,029,081
Newsprint production	tons	251,831	284,767	—11.6	277,741
Planks and boards exported	M. ft.	172,854	152,756	+13.2	148,769
Shingles exported	squares	273,291	304,369	—10.2	284,051
Woodpulp exports	cwt.	2,958,798	2,256,906	+31.1	2,669,956
Cattle slaughterings	no.	153,883	162,216	—5.1	152,170
Hog slaughterings	no.	534,102	486,650	+9.8	545,195
Cotton consumption	lb.	17,064,741	16,502,650	+3.4	17,863,817
Carloadings	no.	283,434	276,157	+2.6	272,934
Contracts awarded	$	23,895,400	40,875,600	—41.5	22,512,100
Bank debits	$000	3,790,964	3,265,872	+16.1	3,733,219

Windsor Workers Set New Record

Total industrial employment in the Windsor area reached a new peak in May, according to the Windsor Chamber of Commerce. May employment of 36,785 broke all local records and exceeded the highest pre-depression peak by 12,730. This compares with May, 1941, employment of 30,927.

Employment by the automotive companies for the month at 27,514 also set a new high, exceeding any month in 1941 and previous years. The May figure a year ago in this category was 22,458.

In diversified industrial employment the May figure of 9,271 compared with 8,469 a year ago and was the highest since Sept., 1941, when the total was 9,558.

Cotton Usage At Record Pace

Canadian cotton consumption continues at a record pace, 46,541 bales of cotton having been opened in May, as against 45,183 a year ago.

For the first four months of this year, the mills opened 194,378 bales—the largest number on record and comparing with 179,098 bales for the like period of 1941.

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Since -- The Dominion Succession Duty Act was passed in 1941 and the National Defence Tax was introduced?

Do not penalize your family through lack of attention to the effect of taxes on your estate.

We urge you to discuss with us what plans you should make for the administration and distribution of your estate against the background of existing taxation.

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CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

Insurance Prepares for New Era

C.U.A. President Urges Need of Flexibility

Readiness of the insurance business to play its part in the problems of the nation in war and peace was stressed by Kenneth Thom, retiring president of the Canadian Underwriters Association at the annual meeting in Toronto last week. Mr. Thom is general manager of the British America-Western group of fire and casualty insurance companies.

Make Necessary Adjustments

The postwar period he envisioned as the beginning of a new era, politically, scientifically and economically. When that era dawns, insurance will perform its functions efficiently and make whatever adjustments are necessary to meet these changed conditions. Said Mr. Thom:

"Social ideas and economic controls, forced into sudden growth by the necessities of war, will not be abandoned, but will expand and modify in the new postwar world.

"The business of insurance forms an essential part of our economic machinery; its history is one of change and adaptation. In the new era it will play its part, and, I hope, as a private enterprise efficiently performing its functions in the changing world."

Contributions to War Effort

Among contributions the companies in the association had made to Canada's war effort he noted:

Collaboration with the Dominion government in helping to establish the war risk insurance plan.

Inspection and advisory work in co-operation with government authorities. This work has been of great value in prevention of fire and other hazards in war industries.

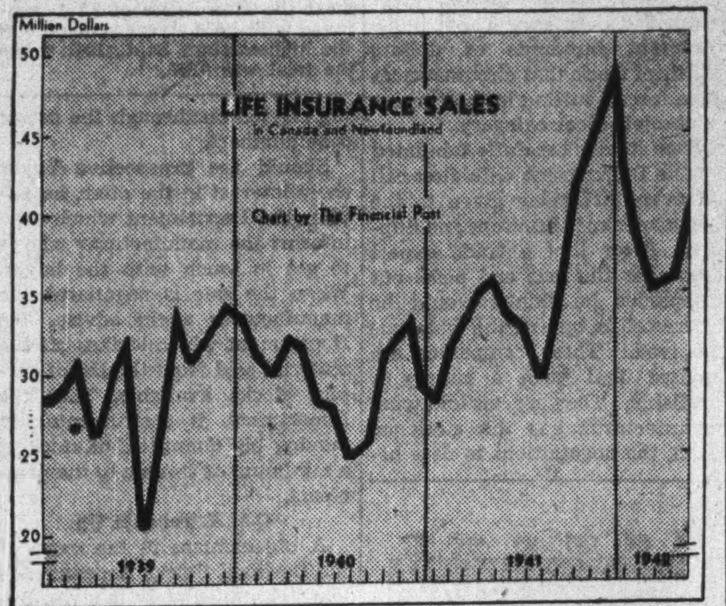
During the year a committee representing the association had interviewed the Minister of National Revenue regarding alleged discrimination in taxes between joint stock insurers and mutual and reciprocal insurers. A brief has been filed and consultations held with the finance and income tax departments. He indicated some reference might be made to the matter in the Dominion budget.

Company-Agency Relations

The question of company-agency relationship in C. U. A. territory, Ontario and Quebec, had been disposed of except in the cities of Toronto and Montreal.

Rate adjustments and other changes since the special meeting of the association, he indicated, had been well received by the agents.

Life Insurance Sales Show Rising Trend



Life insurance sales in Canada and Newfoundland are showing a sharp upward trend. Sales in May totalled $40.3 millions an increase of more than 12% over both the previous month and the same month last year. Estimates are that June figures will show similar results.

A number of individual companies all agreed that sales were rising, but reports varied as to the type and size of policies that are selling best. Some companies report protection plans to be the most popular. Others claim the trend is toward higher premium polices such as pensions and endowments. Sale of victory bonds, it is claimed, has made many people investment conscious while apart from the government issues, avenues for new investments are limited.

Some companies reported the majority of the policies sold to be of small or medium size, bought by people with incomes of $5,000 or less. Others claimed a substantial number of larger policy sales around $15,000 to $25,000. Some large policies are also being sold to wealthy men to provide their estates with ready cash to pay the double succession duties.

Women are reported increasingly large insurance buyers.

Largest Since February

The gain in sales in May is the largest since February.

Sales in Canada and Newfoundland for 1942 to the end of May totalled $194.8 millions, a gain of 18% over 1941.

Among the larger cities, Hamilton, had a gain of 40% over last year, total for five months being 21% higher. Montreal sales in May were equal to May, 1941, total for five months being 12% higher. Toronto was up 20% and 21% in the monthly and yearly comparisons respectively.

Sales in the United States meanwhile have been tending downward. Expectation of a sharp increase in income taxes there is said to be the big deterrent factor.

The figures are published by the Life Insurance Sales Research Bureau and are based on the experience of 18 companies with 85% of the new ordinary life insurance in Canada and Newfoundland.

Life Insurance Sales in Canada and Newfoundland
(000's $)

	May 1942	May 1941	% Change
Alberta	2,188	1,719	+27.3
Brit. Columbia	3,071	2,398	+28.1
Manitoba	2,483	2,190	+13.4
New Brunswick	939	822	+14.2
Nova Scotia	1,691	1,524	+11.0
Ontario	18,400	16,310	+12.8
Pr. Ed. Island	341	214	+59.3
Qubec	9,268	9,518	—2.6
Saskatchewan	1,373	975	+40.8
Newfoundland	582	502	+15.9
	40,336	36,172	+11.5

Sales by Months 1939-1942
(000's of $)

	1939	1940	1941	1942
Jan.	28,767	33,726	28,326	43,081
Feb.	29,202	31,820	31,500	39,357
Mar.	31,710	30,265	33,700	35,876
Apr.	26,357	32,248	35,398	36,232
May	30,123	31,779	36,172	40,336
June	32,226	28,530	33,670	.....
July	20,902	28,159	32,681	.....
Aug.	26,494	24,698	29,587	.....
Sept.	34,262	26,156	33,975	.....
Oct.	31,900	31,210	41,740	.....
Nov.	33,034	32,899	44,984	.....
Dec.	34,759	33,727	47,172	.....
Total	368,726	365,217	428,915	.....

Public Affairs Group to Meet in August

A record attendance is expected at the 11th annual session of the Canadian Institute on Public Affairs, to be held at Lake Couchiching from Aug. 15 to 23. Advance bookings have been very heavy.

The gathering is sponsored by the Canadian Y. M. C. A. This year's theme will be "Mobilizing for Victory Now and in the Post War World." Speakers will include R. H. Tawney, of the London School of Economics, now special adviser to the British Embassy at Washington; Elliott M. Little, director of national selective service; Herman Finer, of the London School of Economics; Edward M. Earle, director of the Princeton Institute for Advanced Study; J. D. Hickerson, of the United States State Department, and other authorities on political economy. The conference is open to men and women.

Agents Seek To Replace Auto Income

In 1941 out of approximately $306 millions paid by the Canadian people for all types of insurance premiums some $28 millions were paid for automobile insurance.

Probability that the premiums from the automobile branch in 1942 will be substantially lower is a matter of concern to the companies writing this class of business.

Two factors tending to reduce the volume of business are decreased use of automobiles as tires wear out and gasoline coupons are used up, and lower premiums rates being charged.

To date the decline in automobile premiums has not been as extensive as had been expected. Many motorists still have a few thousand miles left in their tires and are making use of their coupons during the fine weather. Most of these are keeping their automobile insurance in force.

Decline Seen in Fall

Later in the year the number of passenger cars in operation is expected to be reduced materially and a smaller volume of automobile business is expected. Most of the business available then will come from trucks and cars driven by doctors, salesmen, others on essential business.

Insurance men claim that as time goes on despite a smaller number of cars on the road accidents may tend to increase because of poorer mechanical condition. Tires may blow out, brakes and steering gears may become less efficient. Agents are urging their clients, even when they lay up their cars, to maintain fire and theft insurance on them as these hazards are always present.

Make Up Difference

Although faced by a reduction in premiums from this source, insurance companies and agents expect to make up the difference in other classes of insurance such as fire and casualty.

Increased fire premiums will probably have to come from new insurance on dwellings and household effects as so many mercantile risks were written on a three-year plan last year.

Companies feel there is a large new field among householders, many of whom are underinsured. In such cases comprehensive policies like the personal property floater are proving popular.

Insurance Company Reports

Royal Insurance

Total premiums of the Royal Insurance Co, of Liverpool, England, in 1941 were $83.1 millions, according to the annual report for the year ended Dec. 31. This is an increase of about $5 millions over the previous year. Calculations in both years are made on the basis of £1 equals $5.

The profit and loss statements for the year shows $6.1 millions transferred from the fire, accident and general, marine and life accounts. To this was added $660,000 from the marine suspense accounts and $4.3 millions interest and dividends.

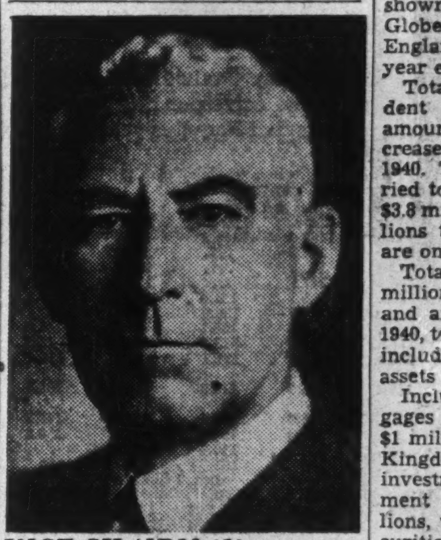
Total assets, according to the consolidated balance sheet on Dec. 31, were $326.6 millions compared with $316.4 millions the year before.

Of this total, mortgages accounted for $700,000, the bulk being within the United Kingdom. Among the company's investments British government securities amounted to $25.3 millions and foreign government securities to $52.1 millions.

Fire premiums at $28.7 millions were about $1 million higher. Accident and general premiums at $32.9 millions were about $3 millions higher.

New life insurance written during the year amounted to about $10 millions about the same as in the previous year.

The Royal Insurance has been operating in this country since 1851. The head office for Canada is at Montreal, with James Matson as manager. It writes practically all main lines of insurance.



VICE-CHAIRMAN

R. L. Stailing, of Toronto, was elected vice-chairman of the fire branch of the Canadian Underwriters' Association, at the annual meeting in Toronto. Mr. Stailing is manager for Canada of the Sun Insurance group.

L. & L. & G.

Increased premiums and assets are shown by the Liverpool & London & Globe Insurance Co. of Liverpool, England, in its annual report for the year ended Dec. 31, 1941.

Total premiums for the fire, accident and marine departments amounted to over $50 millions, an increase of almost $3.5 millions over 1940. Total underwriting profit carried to credit of profit and loss was $3.8 millions compared with $3.1 millions the year before. Calculations are on the basis of £1 equals $5.

Total assets at Dec. 31 were $180.6 millions, including $72 millions life and annuity assets. At the end of 1940, total assets were $171.9 millions, including life insurance and annuity assets of $69.5 millions.

Included in the assets are mortgages in the United Kingdom worth $1 million, those outside the United Kingdom being $11,000. In the investment account British Government securities totalled $11.5 millions, while foreign government securities totalled $47.4 millions.

In his annual statement Chairman A. Kentish Barnes noted that the surplus of market value over book value of investments at the end of 1941 was greater than at the end of 1940.

The Liverpool & London & Globe has been operating in Canada since 1851.

Insurance Notes

The Grand Nest Convention of the Blue Goose International will be held this year in Toronto, Aug. 25 to 27.

Members are expected to attend from all parts of the United States and Canada. Arrangements are in the hands of the Ontario Pond.

The order of the Blue Goose is a social organization of field men of the fire and casualty insurance companies. It forms a common ground on which representatives of tariff and non-tariff, stock and mutual companies can meet.

* * *

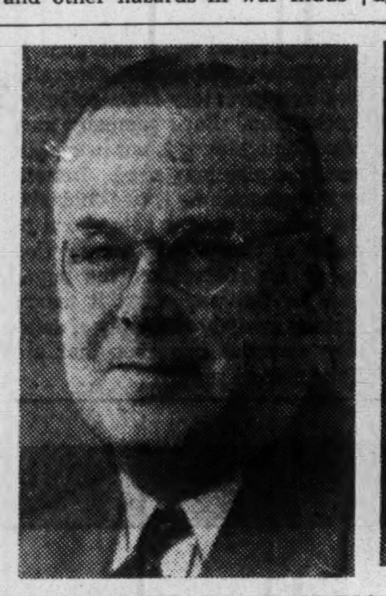
The Great West Life Assurance Co. has renewed its international challenge contest, arranged on a handicap basis between their Canadian and American branches. In the first contest, Canada was the final winner, with the Winnipeg agency leading the entire company in volume of new business written. Edmonton led all branches on a percentage of quota basis.

In the United States, Chicago was the leading agency with Detroit getting the highest percentage of quota. R. C. Frasier of Chicago was leading producer for the whole company. Morley Winkler of the Winnipeg agency led the Canadian agents.

New Licenses

The Dominion Department of Insurance has licensed the following companies to transact the lines of insurance indicated:

Ocean Accident and Guarantee Corp.—Earthquake insurance on property insured under a fire insurance policy of the company, in addition to the classes of insurance for which the company is already registered.



ELECTED VICE-PRESIDENTS —William Notman & Son.

John J. F. Bancroft (right), who has been elected vice-president and managing director of Jenkins Bros. Ltd., Montreal, succeeding James H. Webb, retired. At the same time the board announces the appointment of Herbert H. Gee as vice-president in charge of sales.

Alberta Debt Talks End As Province Asks 3½%

Once again both sides represented in the Alberta debt refunding negotiations have found their ideas divergent. Last week, as forecast by The Financial Post, the Edmonton talks came to an end with the difference of ½ of 1% proving too wide a gulf to cross.

Early in the discussions, both government and bondholders' representatives agreed that the objective of any refunding plan would be to restore provincial credit and the market value of Alberta bonds to or near par so as to enable holders who have suffered hardship as a result of the default to secure return of their principal.

The Alberta Bondholders Committee then submitted a refunding plan which involved three fundamental points:

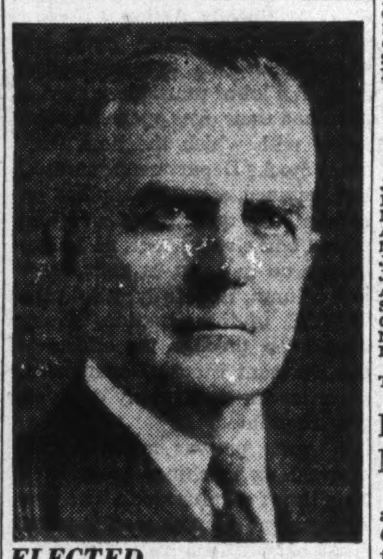
1. A 4% basic rate of interest.
2. Recognition of past due unpaid interest.
3. Provision for differentials in the coupon rates on outstanding bonds to their respective maturities. The maturity of all bonds would be extended to provide for orderly liquidation of the provincial debt.

The committee added that it was prepared to recommend concessions that would give ample time to the province to take care of the unprovided one half of the past due interest, and in so doing would request no interest on the unpaid interest. It said that it was also prepared to consider and develop jointly with the government ways and means of taking care of the differential between the refunded rate and the contractual rates to their present maturity.

Province Wants 3½%

Replying to these proposals the government representatives said that they were prepared to recommend to the government a plan involving an average interest rate of 3½%. Concerning the unpaid portion of the interest the government representatives said they could not see how it would be possible or practicable for the province to provide for the payment of or compensation for this amount. Since in the opinion of the government the main concern of the individual bondholders' is restoration of the capital value of their investment, they would recommend that the province set aside a fund to provide a call feature of annual redemption which would have the effect of maintaining the market price somewhere near par.

The two viewpoints proved irreconcilable and the conference ended leaving the Alberta debt situation unchanged.



ELECTED

At the annual meeting of the Canadian Underwriters' Association A. C. Hall, of Montreal, was elected vice-chairman of the casualty branch. Mr. Hall is manager for Canada of the Commercial Union insurance group.

Company Reports

Stanfield's

Stanfield's Ltd., Truro, N.S., reports a moderate decline in gross and net income for the year ended April 30 last. Net profits were off $4,000 to $133,006, while the balance available on the common stock was $12.90 a share, compared with $13.72 the year before.

Balance sheet shows maintenance of strong cash position, with working capital up $172,000. Cash, call loans, investments, are all higher than a year ago.

Income and Reserve Account
Years Ended April 30

	1942	1941
	$	$
Net profits	133,006	137,201
Less: Directors' fees	4,000	......
Divds. pay. July 15	25,000	25,000
Divs. pay. Jan. 15/42	25,000	......
Surplus	79,006	112,201
Previous surplus	426,399	314,399
Surplus forward	505,405	426,399
Earned on Common	$12.90	$13.72
Working Capital		
	$	$
Current assets	1,869,848	1,766,714
Current liabilities	245,463	314,139
Working capital	1,624,385	1,452,575
Balance Sheet Changes		
	$	$
Cash	688,995	592,718
Call loans	161,624	125,075
Investments	250,068	219,754
Inventory	362,478	346,898
Accts. payable	406,680	482,269
Bonded debt	100,000	120,000

T. G. Bright & Co.

T. G. Bright & Co. reports a slight decrease in sales in the year ended March 31, 1942, but a gain in profits before taxes. After allowing for income taxes and a special inventory reserve of $50,000, net profits are equivalent to 76 cents a share on the common against 89 cents last year.

H. C. Hatch, president, reports that full effects of the increases in labor and material costs entering into the company's inventory will become more evident in future operations. A possible loss of $200,000 is mentioned for sugar as at March 31 last for which a reserve of 30% has been provided in the past two years. The $313,000 increase in inventories is largely caused by higher sugar and grape costs.

Decline in sales is attributed to the more than doubling of taxes on the company's products. In addition to paying about 60% of its net profit for income and excess profits taxes, T. G. Bright paid another $800,000 in other direct and indirect taxes during the year.

Increasing shortage of bottling supplies is being felt. In co-operation with the glass controller the wine industry is progressing toward adoption of a standard glass container to extend supplies. A more intensive effort to salvage used bottles is also being made. Development of other restrictions and uncertainties is feared and this combination of difficulties is cited as the reason for discontinuing dividends on the common shares for the time being.

Consol. Income and Surplus Account
Years Ended March 31

	1942	1941
	$	$
Operating profit	423,493	335,224
Less: Depreciation	85,751	72,677
Income & E. P. taxes	167,550	128,700
Inventory reserve	50,000	......
Net profit	120,192	133,847
Less: Pref. divds.	44,469	44,469
Common divds.	30,000	30,000
Surplus for year	45,723	58,851
Add: Prev. surplus	492,751	384,417
Life insur. proceeds	......	107,759
Invest. profit	......	58,882
Less: Prior year tax	......	9,399
Conting. reserve	......	107,759
Earned surplus forw'd	538,474	492,751
Earned per share:		
Preferred	$16.25	$17.96
Paid	6.00	6.00
Common	0.76	0.89
Paid	0.30	0.30
Working Capital		
	$	$
Current assets	1,618,291	1,334,760
Current liabilities	623,200	367,762
Working capital	995,091	966,998
Balance Sheet Changes		
	$	$
Cash	24,730	18,232
Investments	64,703	20,116
Accts. receivable	275,316	355,892
Inventories	1,253,541	940,520
Bank loans	225,000	156,110
Mortgages payable	60,917	67,563

Can. Converters

Sharply improved operating profits are reported by Canadian Converters Co. for the year ended April 30 last. Income totalled $236,371 as against $123,160 the year before. After providing for an increase of nearly 200% in taxes and setting aside a general reserve of $30,000, there remained net profit of $69,508, as against $56,847 the year before.

At the end of last year the balance sheet shows an improvement in working capital, higher inventories and accounts receivable. These were offset in part by larger bank loans and accounts payable.

Income and Surplus Account
Years Ended April 30

	1942	1941
	$	$
Operating profit	236,371	123,160
Less: Directors' fees	3,500	3,500
Exec. salaries	13,980	12,690
Depreciation	16,097	14,925
Tax provision	103,211	35,171
Legal fees	75	27
General reserve	30,000	......
Net profit	69,508	56,847
Less: Dividends	34,670	34,670
Surplus	34,838	22,177
Previous surplus	511,702	490,698
Less: Tax adjust.	......	1,173
Surplus forward	546,540	511,702
Earned on common	$4.01	$3.28
Working Capital		
	$	$
Current assets	1,031,605	831,592
Current liabilities	332,350	200,251
Working capital	699,245	631,341
Balance Sheet Changes		
	$	$
Inventory	678,268	551,342
Accts. receivable	331,206	240,116
Bank loans	65,000	55,000
Accts. payable	138,742	80,215

Paramount Pictures

Paramount Pictures Inc. estimates earnings for the quarter end of April 4, 1942, at $2.9 millions after interest and all charges including estimated taxes. Earnings for the quarter ended April 5, 1941, were $2.5 millions after interest and charges including taxes. The 1941 results include Paramount share of film rentals from subsidiaries operating in England, Australia, New Zealand and India. The 1942 results include only income from these subsidiaries received or determined to be receivable in dollars.

Common earnings in the 1942 quarter were 94c a share compared with 89c a share for the 1941 period.

Dominion Square Corp.

Dominion Square Corp., Montreal, reports for the year ended April 30, 1942, net loss after all charges of $30,398, as against $50,600 loss in the preceding year. Operating income increased from $413,285 to $451,954, but operating and administrative expenses advanced from $145,492 to $164,296.

Andrew Fleming, president, states earnings available for interest, before depreciation, on the first mortgage bonds totalled $159,470, as against $140,400 the year before. After bond interest there was a balance of $20,954 for sinking fund compared with $752 in 1941.

Eastview, Ont., has struck its 1942 tax rate at 68.5 mills for public school supporters and 75.5 mills for separate school supporters. Tax rates for this municipality in 1941 were 87.5 mills and 92.5 mills for public and separate school supporters respectively.

Kamloops, B.C., tax rate for 1942 has been set at 39 mills, the same as in 1941. The rate was established despite budgeting $3,500, almost 1 mill, for A.R.P. purposes. Several debenture issues matured and were paid off last year, reducing debt charges for 1942. There is a small reduction in the levy for school purposes, attributable to debt reductions.

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The difficulties in maintaining, so far as possible, an efficient organization under wartime conditions have been lightened by the kindly understanding of those we serve, and we thank all our agents and policyholders.

(*The above are extracts from statements issued by the Chairman of the Board, Liverpool, England.*)

The following brief summary of our world-wide figures for 1941 gives a broad picture of the extent of our operations.

ROYAL INSURANCE COMPANY		LIVERPOOL & LONDON & GLOBE
£14,586,380	Total Premiums (ex Life)	£10,009,347
2,044,215	Total Life Premiums	997,059
1,237,629	Total Underwriting Profits	778,784
53,543,509	Total Funds	26,900,744

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Banks Study Economies

Eliminate Much Clerical Work, Save Stationery Supplies

Since the war began, the Canadian chartered banks have been faced with increased taxes, difficulty in obtaining and maintaining adequate staff, and higher general expenses.

The staff problem has been overcome to some extent by employing larger numbers of women.

Overcoming the rising trend of general expenses, is still the object of much attention by bank officials. Efforts already made have, in some cases, been so successful that it is estimated, the savings accomplished will at least offset increased prices for materials. Methods passed into the discard long ago are being revived although anything that might interfere with efficiency is being avoided.

Economies Necessary

Economies in supplies have been necessitated by:

1. Actual scarcity (real or in prospect) of many things used in the office.
2. Higher costs.

Difficulty in getting and holding experienced clerical staff has led to simplified procedure and to more extensive use of accounting machinery. Difficulty in getting the necessary equipment is expected to be a powerful factor here.

Fewer Returns

One of the first steps taken was the reduction in returns required by the head offices from the branches.

In some instances, returns previously required weekly from the branches, now need to be sent in only monthly. Returns which previously had to be made every month are now wanted only quarterly. Some of the banks have gone further.

Lists of securities held in branch offices against loans, etc,, now do not need to be sent in in full at such frequent intervals. Instead, a letter from the manager certifying that certain general requirements have been fulfilled is considered sufficient, except at stated intervals when a detailed report is necessary.

Use of very heavy, expensive writing paper has been reduced if not eliminated. Most of the banks like to use a good grade of paper for outside correspondence. But in many cases lighter weights are now used. For internal correspondence cheaper grades and both sides of the sheet are used.

Reply on Back of Letter

When a letter comes in from outside, the back of it is used for the carbon copy of the reply, not only saving paper but simplifying the record.

Instead of sending ink in bottles out to the branches, ink powder is being sent. The powder is mixed with water at the branch and bottles are used over again, transportation costs are cut. Some banks have been doing this for years.

Large blotters off desks and counters are being salvaged and the clean parts cut off so they can be used by clerks.

The steel shortage has resulted in pen points, pins and paper clips being treasured.

Go Back to Old Files

In one bank it was stated that by going back over their files of old correspondence, they had obtained sufficient clips and pins to do for a long time. Officers of the bank have been circularized asking them to turn in any surpluses of these and other items such as pen nibs they may have. Branch managers are reported to have been very co-operative and surpluses from one bank are being used to make good shortages in another.

Requests have been sent out for discarded rubber stamps to be sent back to the head office where they can be re-cut and used as required.

In the effort to save gasoline the banks have been cutting down the trips made by their trucks to branch banks to collect clearings, etc., in the larger cities.

Waste Paper

Waste paper is also being turned to good account. In many cases, old papers from the banks were formerly destroyed to keep the bank's operations confidential. Now means are being found to mash these documents up so that while the material can be used again, nobody will be able to get any information from them.

The result of all the various economies affected in the banks in the aggregate will be substantial. One bank at least estimates that the saving effected in stationery will offset the increased costs of supplies.

Banks Service Victory Bonds For Low Minimum Charge

As a special convenience to investors in the Victory loans, Canadian chartered banks are offering to service their bonds for a nominal charge. For 25 cents a year on bonds up to $250 or for 1/10 of 1% yearly on larger amounts, the banks will keep the bonds in their safety vaults, clip coupons and pay the interest into the bondholders' savings accounts. The minimum rate charged is just half that asked of other investors for the same service.

Individual safety deposit boxes are becoming steadily scarcer and, as many investors in the Victory loans did not have boxes of their own, the banks are filling the need.

This low cost service tends to prevent bonds being stolen, lost or sold prematurely, but it also helps to build clientele for the banks.

Bond Holdings Show Increase

Repatriation Operation Indicated in Bank of Canada Statement

Increase of approximately $19 millions in investments is shown in the statement of the Bank of Canada for the week ended June 17. This is believed to be part of the recent deal whereby the Canadian government undertook to buy Canadian government and railway bonds held in Britain from the British government. Most of these bonds had been acquired previously. The latest move probably brings the deal near completion.

The bank's note circulation continued to expand, showing an increase for the week of $1.5 million.

	June 17 1942 $	June 10 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	534,791,342	533,291,633
Rest fund	5,585,705	5,585,705
Deposit: Dom.	51,483,612	32,789,571
Banks	207,549,347	201,416,808
Other	7,035,829	22,006,127
Total deposits	266,068,788	256,212,506
All other liabs.	10,703,260	9,784,544
Total liabs.	822,149,095	809,874,388
Assets		
In Sterling & U. S.	457,396	457,396
Subsid. coin	391,090	369,921
Investments:		
Dom. gov. sh.	495,339,091	477,383,867
Other Dom. gov.	314,890,303	313,624,518
Total invest.	810,229,394	791,008,385
Premises	1,830,050	1,828,259
All other assets	9,241,165	16,210,427
Total assets	822,149,095	809,874,388

Employment and Payrolls Still On Way Upward

Although employment usually turns seasonally lower in Canada around the first of April, a slight increase in both employees and payrolls actually took place at the beginning of April this year, the latest survey of the Dominion Bureau of Statistics reveals. The index (1926=100) showed an increase from 165.1 on Mar. 1 to 165.2 on Apr. 1, being only exceeded the last quarter of 1941 and the first two months of 1942.

The seasonally adjusted index number rose from 172.1 on Mar. 1 to 175.0 on Apr. 1, the latter being an all-time high.

Total employment of 13,037 establishments with 15 or more employees reporting was 1,652,810 men and women on Apr. 1 or 1,053 more than on Mar. 1. Including financial institutions, 1,716,261 people in employment at Apr. 1 received a total payroll of $48,855,341 for services rendered in one week. This was a per capita average of $28.47 or 48 cents higher than the weekly average at the beginning of March.

On Apr. 1, 1940, only 12,600 employers reported. Aggregate working force was 1,405,425 people and the employment index stood at 141.3.

While there has been a considerable decline in employment in a number of industries due to concentration of effort in war industries, total employment has shown a remarkable increase. From Sept. 1, 1939, to Apr. 1, 1942, the general index of employment has risen no less than 38.1%.

Windsor, Ont., showed the largest weekly average wage of any of the large cities reported. The average wage was $39.07 compared with $29.58 for Toronto, $27.62 for Montreal, $29.43 for Vancouver, $25.15 for Ottawa and $31.40 for Hamilton.

C.P.R. Improves Share Equity

From Our Own Correspondent

MONTREAL. — Reduction in debt and improvement in working capital by the Canadian Pacific Railway since 1939 has almost equalled the market value of the company's ordinary shares. From 1939 to 1941 the debt was reduced $50.8 millions, while working capital increased $9.3 millions, for a total betterment of $60.1 millions. At present the market value of the company's ordinary shares amounts to $67 millions.

Staff Changes

The Royal Bank of Canada announces the following staff changes:

T. B. CAMPBELL, supervisor's department, Vancouver, B.C., to be manager North Vancouver.

H. L. FRASER, manager North Vancouver, to be manager Dunbar and 17th Avenue, Vancouver.

W. G. HOLMES, office of the assistant general manager, Toronto, to be manager Van Horne and Outremont Avenues, Outremont, Que.

W. H. McCARTNEY, assistant manager, Windsor, Ont., to be manager Sunnyside, Toronto.

J. H. MATHESON, manager Lawrencetown, N.S., to be manager Weymouth, N.S.

F. B. LEPAGE, to be accountant, Truro, N.S.

E. H. WATCHORN, accountant Mount Pleasant, Vancouver, B.C., to be accountant, Hastings and Homer Streets, Vancouver.

H. B. ROBERTSON, manager Sunnyside, Toronto, retired on pension.

The Bank of Nova Scotia announces the following staff changes:

L. E. SHATFORD, to be manager at Digby, N.S.

W. R. MONTEITH, to be assistant manager at Fredericton, N.B.

A. GATH, to be accountant at Fredericton, N.B.

C. R. MACDONALD, to be accountant at Gerrard & Woodbine, Toronto.

Bank Chat.

A story going the rounds in banking circles is that of a lady in Montreal who recently presented a Victory bond coupon at a teller's wicket and wanted to know where she should pay it. She believed that having bought the bonds she was called on every six months to pay the amount shown on the coupon as further aid. She was much surprised and pleased when she found that instead of paying the government interest the government would pay her.

• • • •

An amendment to the Canada Evidence Act recently passed by the Dominion parliament enables photographs of ledger entries, records, documents, etc., to be used as evidence in court trials. Similar legislation has been passed by a number of the provinces.

This is expected to save the chartered banks much storage space, and may eliminate construction of new buildings for storage purposes. Formerly it was necessary to produce the actual ledgers or documents as evidence. Photographs, when supported by necessary affidavits as to the taking of the picture, may be used now as evidence in the courts. The original documents can then be destroyed.

As the pictures are taken on narrow films, the saving in storage space will be enormous. It will also make available a tremendous quantity of waste paper for paper mills and will save much sulphite pulp for war purposes.

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Certificate Sale Direct to Public

By STAFF WRITER

OTTAWA. — Early in August War Savings Certificates in denominations of $5, $10 and $25 will be ready for distribution at post offices and branch banks throughout Canada according to present plans of the National War Finance Committee. Some 8,000 post offices and 3,300 bank branches will merchandise the new certificates for the Committee.

This will be the first time that "over-the-counter" certificates have been available to Canadians. Certificates in these and larger denominations will continue to be issued at Ottawa to regular war savers. The new certificates are expected to supplement present sales and bring in hundreds of millions of extra dollars in the next year.

In addition, Canadian bank and trust company branches will be asked to distribute $50 and $100 bonds also expected to be ready for distribution about August 1. No decision has been made as yet as to the details of issue of these bonds.

B. C. Mines Suffering From Labor Shortage

From Our Own Correspondent

VANCOUVER.—Shortage of labor is handicapping mine production in British Columbia to a critical extent. During the past week two gold mining companies announced suspension of operations—Spud Valley Gold Mines and Central Zeballos Gold Mines, both on the west coast of Vancouver Island, and copper company executives reported a serious curtailment in production.

Shipyards and the armed forces have taken most of the men who have left the mines for other employment. Reports from the Kootenay district are that Consolidated Mining & Smelting Co. has lost about 250 men in the past two months and that it is no longer able to supplement its labor forces from the prairies, as formerly.

Britannia Affected

Britannia Mining & Smelting Co., one of the largest copper producers in the west, is currently producing about one half its normal rate and reports a net loss of 450 men since January, 1941. This is nearly half its full working force under ordinary conditions. For the whole copper industry in British Columbia the decline in production is about 30%.

Spud Valley Gold Mines, which has produced about $2 millions in gold and which was acquired by Seattle interests from A. B. Trites of Premier Gold fame about two years ago, will be shut down for the duration at the end of this month.

Central Zeballos, which has been operated by Reno Gold Mines and has been the sole source of new revenue for that company since it ceased to operate in the Sheep Creek district, will also cease milling at the end of the month, although a small development crew will be maintained.

Privateer Mine, the largest organization in the Zeballos, announces on the other hand that it will step up operations and that its labor supply is satisfactory.

Advices from Ottawa indicate that Yukon Consolidated Gold Mines, which is operating a full fleet of 10 dredges this season, will shut down its operations at the end of the year owing to difficulty in getting adequate supply of labor and mounting costs of production.

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Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.
Soliciting your appreciated patronage.
H. F. STRUCKETT, Manager

B.C. Won't Miss Its Japanese

Most See Initial Loss of Labor Offset by Long-run Benefits

By GORDON L. SMITH

VICTORIA. — There may be some people in British Columbia who want the Japs restored to their prewar position after the peace but they are few and far between. And certainly one does not hear them advocating such a course in public just now. The vast majority of the people of this province favor complete repatriation after the war. They would ship out of Canada every person of Japanese nationality including those born and raised in Canada. Whether this will be practical or not they do not know, but at least that is what they would like to see done.

The average British Columbia citizen insists that the Japs were thrust on this province without its consent, that they were always opposed to them. They maintain that the Jap cannot be assimilated and because he is industrious and aggressive and settles in solid colonies wherever possible, he constitutes a dangerous fifth column element.

Some Moderates

Some people are more moderate, say that the whole Japanese problem has been over-publicized. They agree that it was necessary to move the Japs inland, away from strategic coastal areas but at the same time they regret them going. They maintain that the Japs were excellent workers that their chief fault was that they were more industrious than the white man.

There are many other people however who will tell you a different story. They claim and are willing to offer proof if one has the time for investigation, that the Japanese colonization of the whole Pacific Coast was not an accident nor a normal development but part of a carefully directed plan. Japanese in Canada, they state, were financed by Tokyo to buy or build larger and much more powerful boats than were needed for coastal fishing, to buy up strategic pieces of land in valuable defense areas, to buy into various industries with the object of getting control.

Surveyors are said to have come upon supposed Japanese fishermen surveying lonely coves and sounding waters along the coast. It is asserted that there were many high placed Jap naval men masquerading as fishermen and ready in the advent of invasion to lead and direct landing parties.

Menace Removed

In any event that menace has largely been removed now. By the first of the next month the last of the Japs will have been removed from areas along the coast and gradually they will be spread in small groups far inland. Families will be moved to abandoned lumbering and mining towns in the interior for the most part.

The move has been accompanied with practically no violence, even the most severe critics say the Japs are law abiding, but there has been considerable dislocation of British Columbia industry. Fishing, logging and small fruit growing have been particularly hard hit.

Official estimates place the number of Japanese in British Columbia prior to the evacuation at about 25,000. Of this there would be about 14,000 male laborers and about a thousand professional men, doctors, teachers, lawyers, etc. The latter concentrated their activities almost entirely in the Japanese colonies.

Jap Role in Industry

There are varying estimates as to the actual extent the Jap worker dominated any of the industries he entered. In the fishing industry, usually cited as the most affected, some people claim the Japs ran the primary end of the business, but this seems exaggerated. The fact that the Japs were concentrated in some villages along the main travelled routes may be responsible for the impression.

Official figures reveal that less than 15% of the fishing licenses were actually held by Japs last year though it is admitted that the percentage of total fish caught by them would be somewhat higher. The reason was not that the Japs were better fishermen than whites, but that the gradual restrictions placed on granting licenses to these Orientals had resulted in the best of them remaining in the industry.

Some years ago before the authorities started to cut down on fishing licenses to Japs, the percentage granted was a good deal higher, and in the gill net branch alone was said to have run as high as 50%.

Now canneries and the fresh fish trade must depend upon white and Indian fishermen to bring in the catch. The season is just getting started and so far something close to a normal catch is expected.

Apparently both Indian and white are going back readily into the business. The job has a special appeal to all men of course, and in good seasons it may also prove exceedingly lucrative. Some fishermen may clear as much as $5,000 in a single season, and as high as $100 per day during the height of the catch. The average of course is very much lower, but because of the possibility of a very much higher return and the fact that the work only lasts a few months, the job is more than usually desirable.

Japanese loggers will not be so easily replaced. Here again the Orientals worked together, sometimes ran their camps under their own foreman. Some years ago, before official restrictions, there were instances of sole Japanese control in the logging business, limits and camps being owned by them and the logs exported direct to Japan in Jap ships. This sort of thing, however, never was popular. It absorbed natural resources with a minimum direct and indirect return to the government. All the provincial authorities got from the business was a nominal stumpage fee, all labor in Canada being done by the Japs, all manufacturing into lumber being done in Japan.

Lumber Hit

With the Japs gone from the camps along the coast and stiff competition from the new war industries the B C lumber industry faces a serious labor shortage. There are few observers optimistic enough to predict that the cut this year will equal that of last, though the need for lumber is about as urgent.

In agriculture, the Japs with their usual aggressiveness, concentrated their activities. They decided to enter through the berry end of the fruit growing business. First a few berry farms and a few houses in the nearby villages were secured and within a remarkably short time the whole district and several villages were solidly Japanese.

The men cultivated the land and the women and numerous children picked the fruit. Until the recent evacuation a great part of the important British Columbia berry industry was completely dominated by the Japs, and moving gangs of Jap women and children were depended upon to harvest the crop in many of those areas where the land still remained in the hands of the whites.

Here the removal of the Japanese caused the most immediate dislocation. Thousands of families were moved out just as the strawberries were ripening. Some fruit was lost as a result of the sudden removal of pickers, and later berry crops may also suffer unless some way can be devised of bringing in white high school students from non-berry sections of the province and also possibly from Alberta.

But all these worries, says the average British Columbian, will disappear once the province adjusts itself to the loss of its unwelcome settlers. "By next year," he says, "we will have adjusted our industries and our own way of living, so that we will never need these people again. We hope we have seen the last of them."

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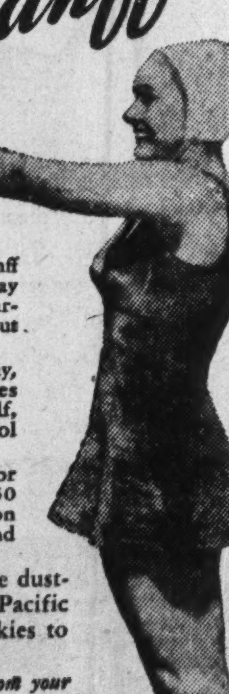
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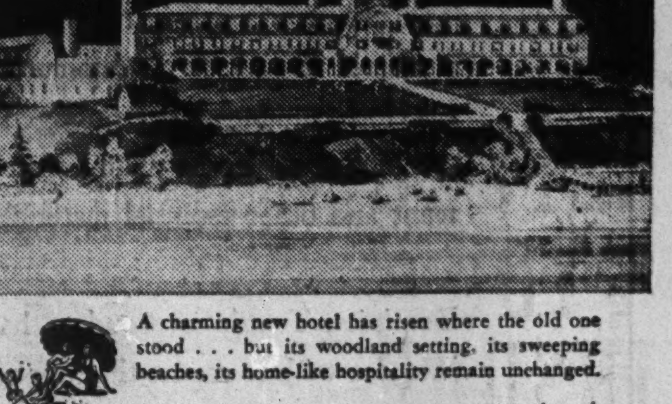
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Pulp and Paper is Industry of Specialties

Its Pulps Go Into Munitions, Papers and Plastics, Each According to Its Qualities

Thousands of Canadians share in the ownership of the pulp and paper industry of this country. They know it as an industry in which their investment experience has not been entirely satisfactory, as one struggling to establish a reasonably stable and adequate level of earning power.

They know it as an industry in which the capital investment is $643 millions, which supports about half a million people directly in this country and which ranks at the top as a producer of foreign exchange.

Relatively few of them, however know much about the variety of products turned out, the methods used or the characteristics which make one type of pulp or paper adapted for one use and not at all satisfactory for another.

To convert wood into pulp—there are four methods, one mechanical, the other three chemical.

In the mechanical process the wood is held by hydraulic pressure against a revolving grindstone. To prevent heat generated by the friction from setting the wood on fire; water is played upon it. The resulting product is known as groundwood pulp and contains all of the wood substance, some of it not durable.

The chemical processes are based on the fact that the main constituent of the wood is cellulose which makes up about 50% of the total. This cellulose is not affected to any extent by ordinary chemicals, atmospheric conditions, bacteria or fungi. The purpose of the chemicals is to dissolve out the non-fibrous, or non-cellulose, components of the wood. The processes are called sulphite, sulphate or kraft, and soda, depending on the kind of wood and chemicals used and the characteristics of the product desired.

Characteristics of Pulps

For manufacture of groundwood pulps coniferous woods such as spruce, balsam and hemlock are preferred. Because the fibres in groundwood pulp have been broken by the grinding process, they are generally shorter than in chemical pulps. On the other hand, groundwood pulps have ink-absorbing qualities not possessed by the chemical pulps. Since all the wood is used in making groundwood pulp, the yield is greater for a given quantity of wood than when any of the chemical processes are used. A cord of wood is 128 cu. ft. of piled material. About one ton of pulp is obtained from each cord when the mechanical process is used; about half a ton when chemical processes are used.

In Canada coniferous woods are used to make sulphite pulp which gives fibres longer and stronger than those of groundwood.

Sulphate, or kraft, pulps are also made exclusively from coniferous woods in Canada. In making sulphate, the "cooking" process is continued just long enough to obtain fibres that can be easily separated, are long, flexible and very strong.

Soda pulps can be made from the softer hardwoods such as poplar. This pulp is not so strong but has definite advantages when used with stronger pulps.

Different Basic Chemicals

The soda pulp process is the oldest and somewhat obsolete today although still used by a few mills. It produces a good quality pulp, rather lacking in strength and gives a yield of only about 40% as against 50% for the other chemical processes. It is an alkaline process employing caustic soda, or sodium hydroxide, as the main chemical. This chemical can be recovered from the waste liquor and re-used to the extent of 80 to 90% of the original chemical.

The chief chemicals used in making sulphite pulp are sulphur and limestone, or calcium carbonate. This is an acid process. The sulphur is burned and the gas given off conducted into high towers containing limestone. Water is sprayed over the limestone. The gas combines with the limestone to produce the "cooking liquor" known as calcium sulphurous acid.

Manufacture of sulphate pulp uses the poorer woods such as jackpine. This is another alkaline process using sodium sulphate (Na_2So_4).

In each case the wood is first cut into chips by a revolving cylinder to which is attached knives of appropriate size according to the size of chips desired. The chips are then put into the "digester," the "cooking liquor" added according to the type of pulp being made, and steam used to heat the mixture.

How Pulps Are Used

Groundwood pulp, mixed with unbleached sulphite in varying ratios of around 85 to 15, is used in making newsprint paper. Groundwood and sulphite pulps are used in making wrapping papers, boards, building paper and untarred felt for roofing.

Sulphite pulp is used in making book and writing paper, coated boards, toilet and other tissue papers. It is also used for making rayon yarn, Cellophane, plastics, explosives and allied products, a field that seems destined to show a wide expansion.

Sulphate pulp goes into the manufacture of kraft and wrapping papers and paperboards.

Soda pulp is used with other fibres in making book, writing, plate, map and litho paper.

It must be remembered, however, that wood pulps are not the only materials used in making papers. Rags, old or waste paper, straw, jute, and even leather chips are used for certain types of paper products.

Making The Paper

Paper-making itself is basically the process of "felting" these fibres together in a fluid state and then getting rid of the moisture. An essential of paper making, as much as 350 tons of water may be used in making a single ton of paper.

Newsprint is a product where low cost is essential and long life not so necessary. Groundwood is therefore the chief constituent with chemical pulps used in smaller quantities. Where durability is essential, such as for legal documents, rags are largely used to make best quality paper.

For wrapping papers, where strength is the most important quality, sulphate pulp is used.

The actual process and equipment used varies somewhat according to the type of paper desired. Essentially, however, the process consists of "beating" or thoroughly mixing the pulps or other materials used; "loading" or adding other paper-making materials such as clay, calcium sulphate, talc or other mineral substances to make the paper more opaque, to give it a smooth finish, to assist in the development of color and sometimes to add weight; "sizing" or adding rosin, size and alum to make the paper resistant to water or ink.

The mixture is spread on a broad, endless wire screen till a layer of pulp forms. This sheet is then carried on broad, endless blankets of felt through rolls where some of the moisture is removed and on to dryers where steam-heated cylinders evaporate still more, leaving from 7 to 10% moisture in the finished paper. The Fourdrinier is the usual type of high-speed paper-making machine. With many variations of construction and operation it is used in large production mills.

Wartime Job

Paper and paper products outstrip in consumption any other commodity in times of peace. Their use has become indispensable.

In wartime the industry has another essential role to play. Currently it is providing Canada annually with over a quarter billion dollars of foreign exchange—almost entirely U. S.—through sale abroad of its products, chiefly newsprint and pulp.

It is supplying pulps for manufacture of explosives, containers for munitions and food, wallboard for housing and war plant construction. Its products go into shells, land and naval mines, gaskets for motors of mechanized equipment, into the manufacture of airplanes and radio and radiolocator equipment. Its machine shops, built for maintenance work only, have pioneered in wider sub-contracting and are turning out parts for prime contractors, helping to break bottlenecks in Canada's munition producing industries.

"Consumer News," published by the Consumer Branch of the WPTB circulates 30,000 copies monthly, not 450,000 as stated in the Post last week. It is the "little bluebook," supplied to housewives that has already reached a circulation of 450,000.

Seek To Revise Paper Prices

Canadian newsprint manufacturers have appealed to the United States Office of Price Administration for a revision on the pricing method on newsprint paper sold in the United States.

Last week three meetings were held by the O. P. A., with newspaper publishers in various parts of the United States, seeking their attitude toward elimination of "port." Sessions were held in Atlanta, New York and Chicago.

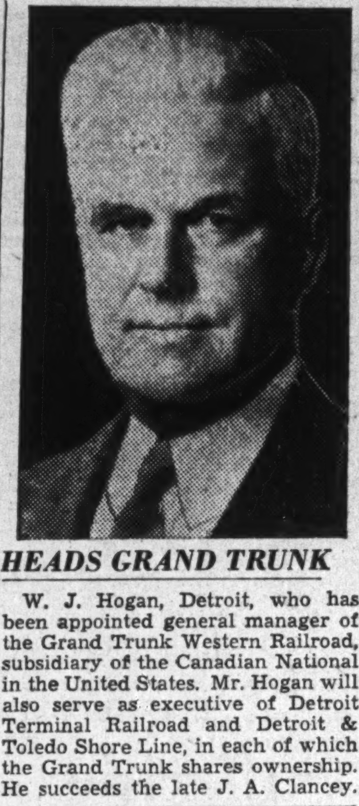
Time has been granted to newspaper publishers in the Northern-Eastern area of the United States to prepare briefs expressing their views on a change in the present $50 a ton delivered price for newsprint. This followed a conference between Office of Price Administration officials and publishers in New York recently.

Ship by Rail

Newsprint manufacturers have appealed on the ground that the basis for a port price no longer exists because they are now unable to ship more than an insignificant quantity of newsprint by water. They contend that to continue to sell paper at the port price, where most of it has to be delivered by rail, is a hardship from which they should be relieved.

They claim the price which applies to any U. S. port was instituted in 1929 as a result of a system under which Canadian manufacturers met overseas competition.

Present price schedules in the United States are on a zone basis. In areas normally served by water lower prices generally prevail than in those supplied by rail. As no newsprint is now moved by water on the Atlantic coast, manufacturers are requesting an adjustment to the higher rail freight by basing the price in the various zones on rail price from plants. They contend that the present price of $50 is not based on economics but on a former basing price of newsprint from abroad which is no longer available.



HEADS GRAND TRUNK

W. J. Hogan, Detroit, who has been appointed general manager of the Grand Trunk Western Railroad, subsidiary of the Canadian National in the United States. Mr. Hogan will also serve as executive of Detroit Terminal Railroad and Detroit & Toledo Shore Line, in each of which the Grand Trunk shares ownership. He succeeds the late J. A. Clancey.

U. S. Lifts Restriction On Pulp Inventories

Subject to approval of application by the United States War Production Board, pulp consumers in the United States may now order whatever quantities they deem appropriate to their current operations and future requirements without regard to any absolute inventory limit. Previously the W.P.B. had in operation a sixty day limitation on pulp inventories, but this order expired on April 30 and was not renewed.

The building up of inventories of wood pulp by consumers is regarded as timely by the W.P.B. in view of impending transportation difficulties.

Quebec Commission Says Wood Transport Costly

Quebec farmers and colonists with pulpwood for sale have a number of complaints to make, according to the findings of a commission appointed by the Quebec Legislature to investigate the prices paid farmers for their pulpwood. Cost of transport, particularly railway transport, is the major factor affecting the pulpwood price in all districts, the commission finds.

It is alleged that the companies are charging almost twice as much as they did in 1915 and that rates are not proportionate to the value of the merchandise. It is this cost of transport problem which must be settled, the commission finds, before farmers and colonists on the north shore of the St. Lawrence can be satisfied.

The commission urges that roads be improved to cut cost of truck transport for wood, and is expected to recommend appointment of a permanent commission to handle pulp industry questions. The commission also recommended that premiums be granted to colonists and farmers who replant their woods and carry on only reasonable exploitation of forests.

Other points of criticism mentioned in the report include lack of competition between buyers, a system of payment for the merchandise after it is returned to the mill to which it is delivered, and refusal of certain buyers to do business with co-operative organizations.

ELECTED DIRECTOR

D. B. Creighton, Montreal sales manager for Nesbitt, Thomson & Co., who has been elected a director of the firm.

Powell River Co. Mill on Short Time

From Our Own Correspondent

MONTREAL.—Powell River Co., one of the largest newsprint manufacturers on the Pacific Coast, reduced its output by 140 tons daily at the beginning of this week. The lower scale of operations will continue for five weeks, according to a statement issued by the management. The plant's daily production of newsprint normally is 725 tons.

A shortage of stock of hemlock logs and loss of the "corrugating board" business because of changes in the U. S. government's specifications, are given as the reason for curtailing output.

Advertisers Appoint Awards Jury Members

The Association of Canadian Advertisers Inc., announce the names of members of the new advertising awards jury which will be open to receive nominations for the 1942 advertising awards given annually by the association. These awards will be presented at the annual meeting of the A. C. A. in Toronto, Nov. 13, next.

The Jury includes:

C. R. VINT, president, Colgate-Palmolive-Peet Co., Ltd.
H. H. RIMMER, advertising manager, Canadian General Electric Co., Ltd.
WESLEY McCURDY, president, Canadian Daily Newspapers Association.
GLEN BANNERMAN, president and general manager, Canadian Association of Broadcasters.
J. R. ROBERTSON, vice-president, Poster Advertising Association of Canada.
AUBREY BURROWS, vice-president, Canadian National Newspapers and Periodicals Association.
J. W. THAIN, vice-president, Canadian Association of Advertising Agencies.
C. V. CHARTERS, managing director, Canadian Weekly Newspapers Association.

At the inaugural meeting of the Awards Jury held June 1, two additional members were elected by the Jury—Mr. W. H. Woolnough, director of Toronto Graphic Arts Association, to represent printing, engraving and artists, and Mr. W. A. Lydiatt, publisher of "Marketing," representing advertisers, agencies, and members at large.

U. S. Paper Mills Rate Slackens

Continued easing in the operating rate of U. S. paper mills is reported by the American Pulp & Paper Association. For May the average rate was down to 95.6% of capacity as compared with 100.2% in April and 102.7% in March. Preliminary figure for the final week of May stood at 92.3% of capacity.

Paperboard operations for May averaged 82% of capacity compared with 93% in April and 101% in March. In the final week of May paperboard operations were down to 77% of capacity.

Public Utility Earnings

Jamaica Public Service

April:	1942 $	1941 $
Operating revenue ...	122,310	101,892
Less: Oper. exps.	79,661	66,011
Retirement res:	7,500	7,500
Income deductions .	7,725	7,701
Add: Other income ...	*1,981	2,397
Net income	25,444	23,077
*Loss.		
12 Months Ended April 30:		
Oper. revenue	1,305,967	1,136,881
Add: Other income ...	6,156	8,724
Less: Oper. exps.	876,066	728,593
Retire. res.	90,000	90,000
Debt charges	101,613	100,726
Net income	253,443	226,287
Less: Pref. divds.	86,485	73,142
Com. divds.	91,800	91,800
Balance	75,158	61,345

Brazilian Traction

April:	1942 $	1941 $
Gross earns.	3,768,023	3,428,969
Less: Oper. exps.	1,761,532	1,568,222
Net earnings	2,006,491	1,860,747
4 Mos. Ended April:		
Gross earns.	14,753,561	13,240,000
Less: Oper. exps.	6,979,414	6,223,001
Net earnings	7,774,147	7,016,999

Southern Canada Power
May

	1942 $	1941 $
Gross income	274,267	240,953
Oper. expenses	81,263	69,462
Taxes	65,328	58,849
Net earnings	127,676	112,647
Int., deprec., divds., etc.	117,239	113,881
Surplus	10,437	*1,234
*Deficit.		

Eight Months to May

	1942 $	1941 $
Gross income	2,155,042	1,952,329
Oper. expenses	656,734	548,725
Taxes	517,250	475,820
Net earnings	981,058	927,784
Int., deprec., divds., etc.	933,982	913,649
Surplus	47,076	14,135

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

NATIONAL STEEL CAR Corporation Limited
AIRCRAFT DIVISION at Malton, Ontario
Fully equipped for manufacture and production of the most modern aircraft
Modern Builders of Railway Passenger Cars—Freight Cars—Snow Plows—Street Cars — Air Dump and Industrial Cars of all descriptions. Automobile Chassis frames and Parts — Steel Pressings — Forgings — Drop Forgings.
Manufacturing Agents for LaPlant-Choate Mfg. Co. Inc., Cedar Rapids, Iowa, leading manufacturers of tractor equipment for earth and snow removal.
Head Office: HAMILTON, ONT.
Sales Office: 437 St. James Street Montreal, Quebec

The design, durability and quality of PEDLAR'S Metal-built Products of the Future will grow from the research work of today, that is creating new methods of manufacture and new improvements in base metals.
This Company is keeping pace with the times and is laying the ground work for better PEDLAR Materials for the Farm . . . for Industry and for Good Roads . . . to meet post-war demands.
Meanwhile . . . and for as long as production permits . . . we shall endeavor to supply PEDLAR'S Metal-Built Products to our customers.

THE PEDLAR PEOPLE LIMITED
HEAD OFFICE - OSHAWA, ONT.
Montreal Ottawa Toronto Winnipeg Calgary Vancouver

Split second judgment

Before he has read even a word of your message, that distant prospect or supplier has already formed an unconscious judgment of your company. Your letterhead exerts a profound influence on the minds of those with whom you deal.
SUPERFINE LINEN RECORD
A crisp, strong-bodied fine paper that defies time. Ideal for important documents.
You can trust Superfine Linen Record to represent you worthily. Ask your printer to show you this 100% new-rag bond paper of enduring and accepted worth . . . for sixty years Canada's finest.
WASTE IS SABOTAGE • SAVE WASTE PAPER
Every scrap of waste paper is needed. See that YOURS reaches your local Salvage organization.
ROLLAND PAPER COMPANY LIMITED
1882-1942 — 60 YEARS OF FINE PAPER MAKING
MONTREAL, QUE.
BRANCH OFFICE: TORONTO, ONT. • MILL AT ST. JEROME, QUE., AND MONT ROLLAND, QUE.

CANADA
PASSED BY THE PRESS CENSORS
That rubber stamp means we can say Canada's cotton textile industry is 11 times ahead of its war production records of 1914-18.
The industry is delivering about 215,000,000 yards a year of aircraft fabric, ammunition pouches, anti-gas cloth, camouflage netting, gun covers, parachute webbing, powder bags, uniform cloth, web equipment and other essential materials.
Dominion Textile is proud to have a part in this. We also wish to report that our plant employees are earning 28% more per hour than in 1939, and we pay 5.4 times more in taxes than the total paid in dividends to our several thousand shareholders.
DOMINION TEXTILE COMPANY LIMITED
MONTREAL . . . . . . CANADA

Business Loaned These Executives To Wartime Prices & Trade Board

Herewith The Financial Post presents the second section of the list of businessmen now on loan to the Dominion Government tabled recently in the House of Commons. Added to the list is the record of the peacetime positions held normally by the 124 loaned officials of the Wartime Prices and Trade Board. Particularized information on the salaries, etc., being paid to loaned officers was not included in the return to the House. In every case, the 124 officers are receiving travelling and living expenses only.

D. Dewar, Vancouver; retired—Asst. to Chairman.
H. MacKenzie, London; gen. manager, John Labatt, Ltd.—Asst. to Chairman, simplified practice.
L. E. Messinger, Toronto; president, Can. Line Materials, Ltd.—Asst. to Chairman, sundry items.
W. Park, Toronto; T. Eaton Co.—Asst. to Chairman, supply.
D. P. Cruikshank, Ottawa; pres. Steel Equipment Co.—Co-ordinator, metals.
W. Howard, Montreal; partner, Montgomery, McMichael, Common & Howard (lawyer)—Co-ord., pulp & paper.
F. B. Walls, Montreal; director & gen. manager at Montreal, T. Eaton Co.—Co-ord., clothing & textiles.
C. N. Moisan, Montreal; Standard Paper Co.—Dep. Co-ord., pulp & paper.
W. P. Zeller, Montreal; pres., Zeller's Ltd.—Dep. Co-ord., clothing & textiles.
E. G. Burton, Toronto; gen. manager, Simpsons Ltd.—Aministrator, retail trade.
L. Bain, Montreal; pres., Atlas Asbestoc Co.—Admin., asbestos & asbestos products.
H. H. Bloom, Toronto; Massey-Harris Co.—Admin., farm & road machinery.
P. H. Boivin, Granby; Granby Elastic Web Co.—Admin., narrow fabrics.
A. L. Brown, Montreal; Northern Electric Co.—Admin., electrical equipment.
C. H. Browne, Toronto; Rigid Wood Fibre & Insul. Board Mfgs. of Canada—Admin. rigid wood fibre & insulation board.
A. Bradshaw, Toronto; pres. A. Bradshaw Ltd.—Admin., work clothing.
R. F. Chisholm, Toronto; sales manager, Gordon Mackay, Ltd.—Admin., wholesale trade.
H. R. Cohen, Montreal; Freedman Co.—Admin., men's clothing.
H. Crombie, Montreal; Dominion Engineering Co.—Admin. plant machinery.
L. D'Aoust, Montreal; partner, D'Aoust, Lalonde & Cie—Admin., footwear & luggage.
W. A. Delahey—Admin., pulpwood
D. C. Dick, Cobourg; pres., Cobourg Dyeing Co.—Admin., wool.
S. G. Dixon, Montreal; Courtaulds (Canada) Ltd.—Admin., rayon.
J. G. Dodd, Montreal; Dominion Textiles Ltd.—Admin., cotton.
H. H. Foreman, Hamilton; Steel Co. of Canada—Admin., fabricated steel & non-ferrous metals.
J. D. C. Forsyth, Kitchener, pres., Forsyth Shirt Co.—Admin., men's & boys' furnishings.
S. Godfrey, Toronto; pres. S. Godfrey Co.—Admin., used goods.
W. M. Grant, Walkerville; retired—Admin., drug.
A. C. Guthrie, Montreal; Simmons Bedding Co.—Admin., bedding & quilts.
H. R. Harrison, Montreal; J. P. O'Shea Co.—Admin., glass & glass products.
Wm. Harrison, Montreal; partner, Harrison Bros.—Admin., bakery products.
F. C. Hayes, Montreal; v.-p., Shipping Containers Ltd. — Admin., shipping cases.
C. V. Hodder, Toronto; Hodder & Moffitt (accountant) — Admin., folding & setup boxes.
F. M. Hulbig, Toronto; sec'y.-treas., Red. N. Boxer Co.—Admin., wallpaper.
Hon. J. D. Hyndman, Alberta; retired—Admin., rental appeals.
A. P. Jewett, Toronto; sales manager Prov. Paper Ltd.—Admin., book & writing paper.
J. A. Klein, Montreal; Klein Manufacturing Co.—Admin., women's, misses' & children's wear.
E. J. Laidlaw, Ottawa; Crane Ltd.—Admin., heating, plumbing, air-con. equipment & supplies.
H. H. Levy, Hamilton; Levy Bros. Ltd.—Admin., jewellery.
R. W. Long, Montreal; retired—Admin., services.
A. N. McLean, Blacks Harbor, N.B.; pres., Connors Bros. Ltd.—Admin., fish products.
C. M. Matheson, Montreal; Fraser Co. Ltd.—Admin., woodpulp.
M. Morris, Montreal; pres., A. Hollander & Sons—Admin., fur & fur pieces.
S. R. Noble, Montreal; Royal Bank of Canada—Admin., sugar.
W. H. O'Reilly, Montreal; pres., W. H. O'Reilly & Co.—Admin., paperboard.
J. J. Page, Toronto; Western Canada Flour Mills—Admin., flour & cereals.
W. E. Ross, Toronto; Can. General Electric Co. — Admin., electric equip. & splys.
R. Scythes, Montreal; v.-p., J. A. Scythes & Co. — Admin., tents & awnings.
E. J. Shoemaker, Kitchener; gen. man., McBrine Co.—Admin., luggage.
G. M. Smith, Montreal; partner, P. S. Ross & Sons—Admin., newsprint.
H. G. Smith, Hamilton; pres., Monarch Mills, Ltd.—Admin., knitted goods.
S. H. Smith, St. Maurice, P.Q.; St. Maurice Valley Paper Co.—Admin., wrapping paper.
J. M. Stewart, Halifax; Stewart, McKeen & Smith (barrister)—Admin., coal.
R. S. Morris, Toronto; Marani & Morris, architects — Dep. Admin., construction products.
W. Tait, Montreal; Greenshields, Hodgson, Racine, Ltd.—Admin., miscellaneous.
T. K. Wade, Toronto; Anglo-American Tea Co.—Admin., tea & coffee.
R. Johnson, Toronto; Imperial Varnish Co.—Asst. to Admin., wholesale trade.
L. D. Squair, Toronto; v.-p., Dominion Stores, Ltd.—Asst. to Admin., retail trade.
T. H. Barton, Toronto; County Court Judge—Dep. Admin., rental appeals.
J. A. Boivin, Montreal; gen. man., Alfred Lambert, Inc.—Dep. Admin., footwear.
T. S. Dixon, Vancouver; Gault Bros. Ltd.—Dep. Admin., work clothing.
M. Enkin, Toronto; sec'y.-treas., Cooks Clothing Co.—Dep. Admin., men's & boys' clothing.
G. Gilchrist, Toronto; pres., Kops Bros. Ltd.—Dept. Admin., women's clothing.
P. C. Hardy, Montreal; Yamaska Garments Ltd. — Dep. Admin., work clothing.
H. J. Hobbins, Montreal; Czarnikow (sugar brokers)—Dep. Admin., sugar.
G. G. Hodges, Montreal; pres., Wilf. Gagnon Ltd. — Dep. Admin., footwear.
C. D. Jacox, Edmonton; man. Great Western Garment Co. — Dep. Admin., work clothing.
I. K. Johnston, Montreal; Imperial Bank of Canada—Dept. Admin., food.
W. T. Kennedy, Winnipeg; Northern Shirt Co.—Dep. Admin., work clothing.
Lt.-Col. W. H. Owen—Dep. Admin., machine tools.
W. H. Palm, Montreal; sales man., Brompton Pulp & Paper—Dep. Admin., wrapping paper.
H. Rother, Montreal; pres., Falomar Mfg. Co.—Dep. Admin., clothing.
T. A. Tod, Toronto; sec. mgr., Canadian Lithographers Assoc.—Dep. Admin., publishing, printing & allied industries.
W. P. Walker, Toronto; comptroller, York Knitting Mills—Dep. Admin., wool.
H. H. Woodward, Montreal; pres., Tooke Bros.—Dep. Admin., men's & boys' furnishings.
N. Yuile, Montreal; Cassidy's Ltd.—Dep. Admin., glass & glass products.
J. T. E. Aikenhead, Toronto; pres., Aikenhead Hardware — Director, retail trade.
R. Amell, Toronto; pres., Robert Amell Co.—Dir., jewellery (gold).
G. A. Baker, Toronto; man. dir. Can. Leather Products — Dir., small leather goods.
H. S. Beane, Quebec; pres., Dominion Glove Co.—Dir., cotton work gloves.
J. H. Bonar, Montreal, pres., Thos. Bonar Co.—Dir., coarse fibres.
J. M. Bronsten, Toronto; Durable Waterproofs Ltd.—Dir., leather clothing.
Roy Burroughes, Toronto; v.-p., F. C. Burroughs Furniture Co.—Dir., retail furniture.
A. E. Clark, Montreal; Acme Glove Works Ltd.—Dir., leather trades.
H. D. Daniels, Toronto; Larned Garter Co.—Dir., cotton work clothing.
R. E. Day, Toronto; Bulova Watch Co.—Dir. jewellery (watches).
F. H. Deacon, Belleville; Deacon Bros. Ltd.—Dir., cotton sport clothing.
A. J. Dugal, Montreal; Depuis Freres—Dir., retail trade.
J. S. Eckman, Vancouver; v.p., Canadian Fishing Co.—Dir., fish products (Pacific).
B. E. Ekblad, Toronto; Electric Chain Co.—Dir., gold filled etc., jewellery.
E. T. Griffith, Stratford; G. L. Griffith & Son—Dir., harness & saddlery.
S. Gross, Toronto; H. & M. Freudman—Dir., precious stones.
A. Guay, Montreal; Paul Le Maitre, Ltd.—Dir., novelties.
L. S. Hewes, Gravenhurst; gen. man., Rubberset Co.—Dir., brushes.
G. A. Huck, Kitchener; pres., Huck Glove Co.—Dir., leather gloves & mitts.
H. S. Ireland, Toronto; Tower Canadian Ltd.—Dir., oiled clothing.
G. E. Johnston, Toronto; partner, J. A. Johnston Ltd.—Dir., footwear.
T. W. Kinney, Picton; manager, Kinney Canning Co.—Dir., processed fruits & vegetables.
W. Lawson, Winnipeg; pres., Bemis Co.—Dir., coarse fibres.
C. S. Leckie, Toronto; Canada Packers, Ltd.—Dir., meat processing.
F. D. Mathers—Dir., Canned fruits & vegetables.
W. O. Matthews, Toronto; sec'y., Wholesale Hardware & Glass Assoc.—Dir., hardware wholesale trade.
A. S. May, Toronto; A. S. May & Co.—Dir., grocery (imported items).
W. S. Morgan, Toronto; Ontario Silknit, Ltd.—Dir., knit goods.
C. J. Morrow, Lunenburg; Lunenburg Sea Products, Ltd.—Dir., fish products.
J. V. R. Porteous, Montreal; Greenshields, Hodgson & Racine—Dir., wholesale dry goods.
W. F. Prendergast, Toronto; v.p., Imperial Oil—Dir., information.
K. B. Roberton, Toronto; v.-p., Dominion Oilcloth Co.—Dir., floor & table covers.
A. Savoie, Montreal; Sec'y., Que. Chain Retailers Distribu. Asso.—Dir., food retail.
J. H. Scandrett, Toronto; J. H. Scandrett, Tea & Coffee Importers—Dir., coffee importing & processing.
H. Stewart, Montreal; Hamilton Cotton Co.—Dir., cotton twines.
J. T. Stewart, St. Thomas; pres., St. Thomas Metal Signs Ltd.—Dir., steel stamping & coated steel.
S. Stilwell, Toronto; Johnston, Matthew & Co.—Dir., refining & precious metals.
N. L. Thompson, Granby; Carl Stohn of Canada Ltd.—Dir., tapestry.
W. T. A. Walton, Hamilton; International Silver Co.—Dir. silverware jewellery.
R. Weaver, Drummondville, P.Q.; Butterfly Hosiery Co.—Dir., full-fashioned hosiery.
S. Webster, Montreal; Dominion Textile Co.—Dir., cotton waste.
E. D. Donegani, Vancouver; man., Simmons Ltd.—Asst. Dir., bedding & quilts.
G. R. Hughes, Winnipeg; man., Simmons, Ltd.—Asst. Dir., bedding & quilts.
J. M. Webster, Toronto; man. Simmons, Ltd.—Asst. Dir., bedding & quilts.
M. Samson, Quebec; partner, Sampson, Knight & Co. — Assistant to the chairman.
H. L. McNally, Toronto; gen. man., National Grocers—Executive Asst. food.
E. C. Burton, Toronto; pres., Link Belt — Dir., conveying, transmission, processing machinery.

Your Investments.

What We Do:
1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:
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2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

B. C. Pulp

Will you give me a report on the position of B. C. Pulp & Paper Co. and how the preferred stock is rated.

British Columbia Pulp & Paper Co.'s position has undergone a change for the better. In prewar days the company had experienced difficulty in marketing its products.

As a result it was necessary to make an arrangement with the bondholders in respect to the deferment of bond interest on both the general mortgage and the first mortgage bonds. Due to the improvement in demand for pulp, the company has been able to pay off all arrears of interest on both the first mortgage and general mortgage bonds. In addition it has shown substantial earnings available on the capital stock.

The preferred stock as a speculation is not without attraction, but it cannot be classed as an "investment." As long as present conditions last, it is possible and likely the company will show rather substantial earnings. Under normal conditions results might not be so favorable as far as the stockholders are concerned.

Ogilvie Flour

Do shares of Ogilvie Flour still retain their prewar investment status? How do you think postwar conditions will affect a company such as this?

Ogilvie Flour Mills shares have attained a high investment standing, based on the long dividend record back to 1902 for the preferred and 1904 for the common. There have been variations in rates paid on the common during that period, but the company has never failed to pay dividends.

Ogilvie's operations are somewhat different from those of other milling companies in that it receives more than half of its earnings from investments.

Currently wartime conditions are a determining factor. Demand for flour has been stimulated by the war but not to the extent that prewar expectations might have indicated. What the postwar picture will be for milling companies in Canada is difficult to state although it is suggested that the task of feeding the millions of people who are on short rations may stimulate demand for a time at least.

Donnacona Paper

Will you give me your views on the position of Donnacona Paper Co. especially in relation to the company's ability to cover interest charges.

Earnings of Donnacona Paper since the issuance of the notes have been more than sufficient to cover interest charges after full provision for depreciation and depletion. Last year, despite a further substantial rise in reserve for depreciation and depletion, interest on the notes was covered by a margin of $183,000.

Note interest requirements last year totalled only $35,833. While the outlook for the newsprint companies at the moment is not as bright as it was a few months ago, still Donnacona Paper Co. should be able to maintain earnings at a satisfactory level because of the diversification of production.

Were the company depending solely upon newsprint for its revenues, there might be some question as to the safety of interest coverage on the notes, but such a situation does not exist in view of the market which the company has developed for pulp, board and other products.

Can. Investment Fund

Some background on Canadian Investment Fund from the investment standpoint would be appreciated.

Canadian Investment Fund is an investment trust of the management type which has had a comparatively good record to date. It has been able to pay regular dividends.

Portfolio consists of a selected list of Canadian and American securities. Last year, it reported a decline of 9.18% in the net asset value of its shares, reflecting the downward trend of security prices. A further decline of 6.3% in net asset value of its shares took place in the first quarter of 1942.

Company Reports

Wood, Alexander

Wood, Alexander & James, Ltd., wholesale hardware firm, Hamilton, Ont., reports continuation through 1941 of the increasing sales volume noted toward the close of 1940, states S. H. Alexander, president. The company has been able to serve the government and many war industries.

Redemption of $28,500 principal amount of the 6% bonds, due Aug. 1, 1944, left a balance of $63,000 outstanding out of the original $400,000 issued in 1924.

Net profits for the year ended Jan. 31, 1942, were equivalent to $12.51 a share on the first preference shares against $9.88 a share in the previous year. Regular dividends of $7 were paid, leaving arrears of $38.50 a share.

Income and Surplus Account
Years Ended Jan. 31

	1942	1941
	$	$
Net earnings	298,888	198,928
Less: Exec. & legal	25,647	24,704
Directors' fees	600	600
Depreciation	26,107	24,301
Interest	4,921	6,543
Income & E. P. taxes	160,300	78,549
Net profit	81,313	64,231
Less: Pref. divds.	45,500	45,500
Surplus for year	35,813	18,731
Add: Prev. surplus	82,676	64,847
Less: Addit. inc. taxes	......	902
Earned surplus forw'd	118,489	82,676
Earned per share:		
1st Preferred	$12.51	$9.88
Paid	7.00	7.00
2nd Preferred	16.86	8.82
Paid	nil	nil
Working Capital		
	$	$
Current assets	955,044	984,956
Current liabilities	326,168	369,429
Working capital	628,876	615,527

Standard Radio

Standard Radio Ltd. reports net profits for the year ended March 31, 1942, first full year of operations, equivalent to 49 cents a share on the combined classes A and B shares. Dividends paid totalled 40 cents a share.

Balance sheet shows cash of $78,996 and Dominion bonds of $10,025 in current assets and current liabilities of $25,547, leaving working capital of $63,474.

Major source of revenue is from its holdings of securities of subsidiary companies. These include $150,000 in bonds and $169,805 in shares of Rogers Radio Broadcasting Co., owning and operating radio station CFRB, Toronto. Standard Radio was formed early in 1941 to succeed Rogers-Majestic Corp. when the latter sold its manufacturing interests to another company.

Income and Surplus Account
Year Ended March 31, 1942

	$
Revenue:	
Dividends from subsid.	105,279
Bond interest	10,525
Total revenue	115,804
Less: Directors' fees	180
Counsel's fees	2,559
Depreciation	84
Other expenses	1,460
Income tax	690
Net profit	105,826
Less: Dividends	86,000
Surplus for year	19,826
Add: Previous surplus	45,181
Earned surplus fwd.	65,007

Transportation Bldg.

While increases in rentals are forbidden under war restrictions, municipal taxation remains unrestricted, notes C. J. G. Molson, president of Transportation Building Co., Montreal.

Directors of the company are stated to feel strongly that increases in municipal tax rates or assessed values should not be allowed while maximum rentals are in effect. A substantial increase in the assessed valuation of the property effective May, 1942, has recently been made by the City of Montreal. Protest against this increase has been filed.

There is a possibility that the shortage of oil may make it necessary for the building to change over to coal-burning heating equipment. Should this occur, it will involve a very heavy expenditure and much inconvenience as the building was not designed for coal heating.

Sinking fund payment for the year on first mortgage bonds of $56,600 was not met. This sinking fund is now in arrears totalling $234,300.

Income and Deficit Account
Years Ended Apr. 30

	1942	1941
	$	$
Oper. profit	16,498	18,934
Less: Dirs. fees	505	505
Exec. sals.	1,500	1,500
Legal fees	26	60
Bond int.	40,474	40,474
Depreciation	36,810	36,810
Bad debts res.	......	3,000
Net loss	62,817	63,416
Add: Prev. deficit	630,170	566,755
Deficit forward	692,987	630,171

Muirheads

Sales in the three downtown Toronto branches of Muirheads Cafeterias Ltd. showed a substantial increase during the year ended Feb. 28, 1942, states H. M. Millar, president. In addition to these three restaurants the company conducted a cafeteria as a concessionaire in one of the large industrial plants in the Toronto vicinity. Dividends on the 7½% $10 par preferred stock are in arrears from July 1, 1932.

Income and Deficit Account
Years Ended Feb. 28

	1942	1941
	$	$
Sales	516,048	285,811
Less: Cost of sales	500,741	294,015
Net earnings	15,307	*8,204
Less: Depreciation	17,878	......
Net loss	2,571	8,204
Add: Prev. deficit	108,147	100,776
Less: Adjusts.	151	173
Prof. on secs.	......	660
Deficit forward	110,566	108,147

*Loss.

Working Capital

	1942	1941
Current assets	64,045	26,676
Current liabilities	41,492	20,996
Working capital	22,553	5,680

Sterling Coal

During the year ended March 31, 1942, unsettled conditions continued to complicate the operations of Sterling Coal Co., Col. F. H. Deacon, president, reports. Gasoline and oil division again showed an increase but the future operations of this department are clouded by government rationing policy. Col. Deacon emphasizes the fuel controller's warning that householders should purchase next winter's coal supply as early as possible, adding that the company's inventories are ample for immediate deliveries.

Funded debt has been reduced by purchase of $48,600 of the 6% bonds, due 1945, reducing outstanding amount to $390,000.

Consol. Income and Surplus Account
Years Ended Mar. 31

	1942	1941
	$	$
Operating profit	109,255	104,576
Add: Other income	6,741	10,754
Total earnings	115,996	115,330
Less: Exec. remun.	22,375	22,105
Directors' fees	2,400	2,400
Legal fees	395	260
Depreciation	24,937	25,881
Interest	29,200	27,172
Income & E. P. taxes	15,156	16,887
Surplus for year	21,533	12,665
Add: Prev. surplus	158,563	145,597
Sink. fund profit	347	681
Less: Loss on assets	6,303	*962
Bond expense	162	1,342
Earned surplus forw'd	173,988	158,563
Earned per share:		
Common	$0.86	$0.51
Paid	nil	nil
Working Capital		
	$	$
Current assets	514,175	487,180
Current liabilities	254,833	208,864
Working capital	259,342	278,316

*Profit.

Levy Brothers

Future for Levy Brothers Co., Hamilton, holds little but mounting costs, difficulty in obtaining goods, probability of adverse legislation and certainty of higher taxes, all of which means that current rate of earnings cannot be maintained, states Herman H. Levy, president.

Operating ratio of profit in departments is already declining, particularly in the watch department. Scarcity of goods is becoming more acute. Chase, electrical goods, and all American jewellery have all disappeared. Lines such as Westclox, lighters, flatware are now being rationed by manufacturers. This means that the company's main jobbing lines will be seriously curtailed from now on.

In the immediate past, sales and estimated earnings have been at approximately the same level as last year's comparative period. Mr. Levy does not expect to hold this year's sales at last year's level but suggests cautious optimism is in order at least for the current year.

In the year ended Jan. 31, 1942, Levy Brothers earned 70 cents a share on its common stock compared with 30 cents in the preceding year. Dividends paid totalled 30 cents a share last year and it is announced that another 10 cents a share is being paid on the common on July 2, 1942, along with the regular preference payment.

Income and Surplus Account
Years Ended Jan. 31

	1942	1941
	$	$
Operating profit	254,403	230,096
Add: Other income	8,578	8,278
Total earnings	262,981	238,374
Less: Selling & admin. exp.	162,187	160,028
Int., disc. & exch.	23,264	21,579
Income & E. P. taxes	32,445	30,594
Net profit	45,086	26,171
Less: Pref. divds.	10,000	11,301
Common dividends	15,000	7,500
Surplus for year	20,086	7,370
Add: Previous surplus	94,840	87,949
Claim settlement	7,598	......
Less: Prior year taxes	......	480
Earned surplus	122,523	94,840
Earned per Share:		
Preferred	9.01	5.23
Paid	2.00	2.00
Common	0.70	0.30
Paid	0.30	0.15
Working Capital		
	$	$
Current assets	681,977	661,261
Current liabilities	102,535	107,767
Working capital	579,442	553,494
Balance Sheet Changes		
	$	$
Cash	46,535	128
Investments	45,075	25,081
Accounts receivable	303,985	345,279
Inventories	264,765	271,087
Bank loans	......	13,571
Gold bullion	21,616	19,686

Acadia Apartments

Rental situation of Acadia Apartments Ltd., Montreal, shows a slight improvement over the position a year ago, the building, at the present time, being 92% rented, states H. K. Crabtree, president, in the annual report. This fact should be reflected in a slightly improved revenue position during the course of the next year.

During the year ended Apr. 30 the special reserve fund was completed in accordance with the terms of the company's plan of reorganization and now stands at $20,000, all of which has been invested in trustee investments.

Profit and Loss Account
Years Ended Apr. 30

	1942	1941
	$	$
Gross revenue	81,388	82,230
Less: Expenses	55,734	56,928
Net income	25,653	25,302
Less: Bond interest	18,760	*18,787
Depreciation	*11,276	*11,277
Loss for year	4,383	4,761

*50% normal provision.

National Grocers

National Grocers Co. reports a gain of over $300,000 in operating profits for the year ended March 31, 1942. With the exception of taxes, expenses are not materially changed, with the result that net profit for the past year is equivalent to $1.37 a share on the common against 88 cents a share for the previous year. The company has declared an initial 40-cent a share dividend on its common since the close of its year, payable July 20, 1942, to shareholders of record July 6.

During the year 1,292 shares of preference stock were redeemed at a cost of $33,446. Of this sum $7,606 represented premium paid and is charged to surplus. This leaves 146,490 preference shares outstanding at March 31 last.

Balance sheet shows a reduction in funded debt of $100,000 to $600,000, maturing in annual installments of $100,000. Inventories are about $270,000 higher at $3.5 millions.

Income and Surplus Account
Years Ended March 31

	1942	1941
	$	$
Operating profit	1,298,843	979,742
Less: Depreciation	131,418	125,870
Interest (net)	26,190	37,804
Income & E. P. taxes	505,009	324,650
Bond exp. w/o	8,344	9,628
Net profit	628,263	481,790
Less: Pref. divds.	220,773	221,734
Surplus for year	407,490	260,056
Add: Prev. surplus	1,763,783	1,553,087
Less: Addit. deprec.	68,436	......
Land val. adjust.	33,639	......
Pref. sh. prem.	7,606	11,815
Conting. reserve	64,124	......
Addit. inc. tax	......	37,545
Earned surplus forw'd	1,997,468	1,763,783
Earned per share:		
Preferred	$4.29	$3.26
Paid	1.50	1.50
Common	1.37	0.88
Working Capital		
	$	$
Current assets	5,879,046	5,321,951
Current liabilities	1,682,243	1,741,677
Working capital	4,196,803	3,780,274

Stop & Shop

Statement of Stop & Shop Ltd. for the year ended Apr. 30, 1942, reflects operating changes during the year. The company sold or agreed to sell 14 of its properties in Toronto and Montreal. It also sold to Dominion Stores Ltd. the balance of the equipment in the property at 29 Queen St. W., Toronto. Proceeds realized therefrom were used in reduction of the bonded indebtedness to $373,800 from $416,900, and purchase of Victory Loan bonds. Loss on sale of these properties amounted to $143,384.

During the year the company secured payment of the balance of the note owing by Thrift Stores Ltd. Proceeds were used to retire the bank loan of $23,191.

Income and Deficit Account
Years Ended Apr. 30

	1942	1941
	$	$
Rentals	50,902	66,778
Add: Interest	671	3,229
Gross revenue	51,573	70,007
Less: Prop. rents	15,359	19,065
Prop. taxes	10,490	13,985
Repairs	987	3,455
Other exps.	2,687	4,052
Genl. exps.	4,143	3,886
Prov. taxes	233	1,254
Bank interest	29	935
First mtge. bd. int.	10,419	12,837
Second mtge. bd. int.	1,445	1,763
Depreciation	7,589	9,059
Net loss	1,810	288
Add: Prev. deficit	275,368	302,826
Loss on prop. sale	143,384	14,210
Inc. conting. res.	68,525	......
Loss equip. sold	......	12,204
Loss sale mtge.	......	586
Less: Prof. bds. red.	17,486	54,746
Deficit forward	471,601	275,368

Eureka Security

Total assets of $7.5 millions are shown by the Eureka-Security Fire & Marine Insurance Co. in its annual report for 1941.

Of the total, $4.4 millions are in bonds, the biggest single item being $1.9 millions of government issues. Investments in stocks total $945,395. Holdings of cash were $1.6 millions and premiums in course of collection $371,756.

On the liability side the biggest item is unearned premium reserve at $3.7 millions.

Policyholders surplus, including capital of $1 million, is over $3 millions.

The Eureka operates in Canada in association with the Pearl Assurance Co., under the management of W. C. Butler at Toronto.

Brazil Working On Paper Supply

War-created Shortage Being Overcome by New Domestic Mills

From Our Own Correspondent

MONTREAL.—In order to overcome the problems of a war-created shortage of paper, Brazil is going ahead with the establishment of a newsprint plant.

Contract for construction of a cellulose and paper factory at Sao Francisco has been signed. The plant, which will specialize in the manufacture of newsprint, is to be equipped with Brazilian-built machinery.

This will supplement a factory recently put in operation at Cachoeirinha in the State of Parana, in the heart of Brazil's largest pine-producing area.

The Cachoeirinha plant now supplies all newsprint requirements of the Government-owned paper at Rio de Janeiro and Brazil's production is expected eventually to supply the entire Brazilian press.

Big Scheme Planned

The U. S. Dept. of Commerce recently reported the Industrias Clavin do Parana, Brazil, contemplates construction of a cellulose and paper factory which will be Brazil's largest. Its buildings and installations are expected to cost approximately $6.5 millions. Some machinery which has been ordered in the U. S. and Canada already has been delivered, and additional equipment is awaiting shipment from Canada. The plant is expected eventually to produce 160 tons of newsprint daily. Initial daily production will be 100 tons of wood pulp—60 tons of bleached chemical cellulose, and 40 tons of unbleached cellulose.

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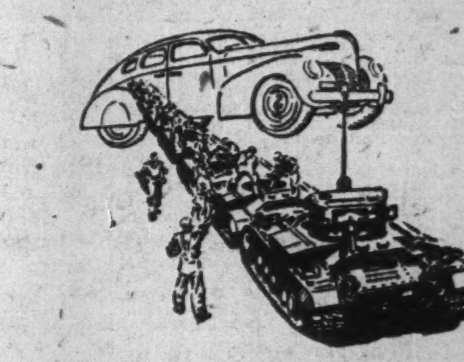

BATTLE WAGGONS
Canadian genius for mass production is now being applied with telling results to the output of motorized war equipment.
Production figures are already fantastic. Since the beginning of the war, Canada has produced and shipped to the battlefields of the world more than 250,000 military vehicles. Production is now at the rate of one unit every three minutes and is constantly mounting.
Canadian fighting men need 160 different types of motorized equipment. Canada is producing all of them.
One plant alone is turning out in a single day enough Universal Carriers to equip two battalions. Heavy tanks, with 25,000 parts, are in mass production and, at one plant, are coming off the assembly line at the rate of one every few hours.
This advertisement is published as a contribution to the general knowledge of our country's war effort and as an inspiration through the days ahead. For reasons of security complete figures are not available. The facts presented, however, are impressive evidence of the growing might of Canada's war machine.
THE ROYAL BANK OF CANADA

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JUNE 22

Range 1942 High	Low	Div R'te $	Jne20 Y'ld %	Stock	Sales	Last June 15	Week end. June 22 H	L	Cl'se
				A					
.75	.40	.	...	Abitibi	1016	.60	.70	.65	.70
7	4	.	...	Do. pref. 6%	155	5¼	5¾	4¼	4¾
25	13	.	...	Do. pref. 7%	....	(11 bid — asked)			
3	3	.	...	Acme Glove	....	(3 bid 3½ asked)			
60	50	6.50	12.7	Do. pref.	....	(54 bid — asked)			
13	11½	80+20c	8.7	Agnew Surp.	....	(11½ bid 12 asked)			
[illegible]									
18¼	14¼	1	5.6	Ford Motor A.	1837	17¼	18¼	17¼	17¼
18¼	14¼	1	5.5	Do. (B)	....	(17 bid 18¼ asked)			
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16¼	13	§85+50c		Foundation Co.	....	(13 bid 14¼ asked)			
13	7	.	...	Fraser Cos.	35	10¼	11	10¼	10¼
13½	9	.	...	Do. Vot. Tr.	280	10¼	10¾	10¼	10¼
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
55	55	§4.50		Do. pref.	....	(50 bid — asked)			
6	4¾	60c	10.3	Gatineau Pwr.	162	5¾	5¾	5½	5¾
77½	61½	5	6.6	Do. pref.	105	75	76	74	74½
80	70	5.50	6.9	Do. 5½% pref.	10	80	79½	79½	79½
[illegible]									
2.00	1.00	.	...	St. Law. Corp.	410	1.40	1.40	1.40	1.40
15¼	10	1	8.7	Do. (A)	125	11½	11½	11	11
25	22	1.60+50c	8	St. Law Flour	25	23	23	23	23
122	115	7	5.7	Do. pref.	....	(120 bid — asked)			
43	27	3	10.5	St. Law. Pap. p	50c	28½	28½	28	28
11	9	50c	...	Stan. Chem.	....	(9½ bid 11 asked)			
2	1	.	...	Stand. Clay	....	(1 bid 6 asked)			
.50	.25	.	...	St. Pav. & Mat.	....	(.45 bid .75 asked)			
5	4	31¼c	...	Do. pref.	....	(4½ bid 6 asked)			
4	3	30c	...	Stand. Radio	75	3¾	3¾	3¾	3¾
20	13¾	60+60c	9	Stedman Bros.	....	(15 bid 20 asked)			
63½	57	3	4.7	Steel of Can.	197	63	63½	62	62
70½	64	3	4.3	Do. pref.	120	70	70	68½	68½
3	3	.	...	Sterling Coal	....	(3 bid 5 asked)			
.25	.15	.	...	Stop & Shop	210	.25	.25	.25	.25
13¼	11½	80+50c■		Stuart, D.A., pf.	....	(— bid 12½ asked)			
§13	2½	.	...	Supersilk H. A.	....	(— bid 2 asked)			
†3	2½	.	...	Do. (B)	....	(— bid 3 asked)			
57	57	5	8.8	Do. pref.	....	(— bid 73 asked)			
19	19	1+25c	6.6	Sup. Pete. ord.	....	(19 bid 21½ asked)			
20	20	1+25c	6.2	Do. com.	....	(18½ bid 32 asked)			
				T, U, V					
11½	8½	80c	8	Tamblyn	....	(9¾ bid 10 asked)			
52¾	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
1.25	1.25	.	...	Thayers	....	(1.25 bid — asked)			
24	20	3.50	...	Do. pref.	....	(20 bid 35 asked)			
2	1	.	...	Thrift Stores	....	(2½ bid 5 asked)			
14	10	.	...	Do. pref.	50	12	14	14	14
8½	6½	60c	8.9	Tip Top Tailors	5	6½	6½	6½	6½
106	97	7	7	Do. pref.	36	100	100	98	98
†1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13½	12	.	...	Do. pref.	....	(13½ bid 25 asked)			
20	16½	1	5.7	Tor. Elevators	....	(18 bid 20 asked)			
50	47½	2.62½	5.5	Do. pref.	20	48	47½	47½	47½
76	63	4	5.7	Tor. Gen. Tr.	14	70	70	69½	70
84½	68	5	7.2	Toronto Mtge.	....	(68½ bid 77 asked)			
151	147	7	4.7	Tuckett Tob. p.	....	(150 bid — asked)			
3½	1	.	...	Twin City	....	(2½ bid — asked)			
28½	28½	.	...	Do. pref.	....	(— bid — asked)			
10¾	5½	80+20c	14½	Union Gas	3668	7½	7½	5½	5½
13	13	80c	6.2	Un. Amuse. A.	50	..	13	13	13
†13½	13	80c	5.9	Do. (B)	....	(11½ bid — asked)			
1.20	.75	10c	...	United Distill	....	(1.00 bid — asked)			
36	29	3	10	United Fuel, pf.	35	31	31	30	31
3½	2½	.	...	Do. pref. B.	210	3½	3½	3½	3½
2½	¾	.	...	United Secs.	....	(1½ bid — asked)			
4½	2½	.	...	United Steel	270	3½	4	3½	3½
3¾	3	.	...	Viau Bisc.	10	3	3	3	3
52	48¾	5	9.8	Do. pref.	....	(46½ bid — asked)			
				W, Y, Z					
44	35	4	9.6	Wabasso Cot.	45	42½	42½	41½	41½
50½	40	4	9.3	Walker-Good.	577	43	44½	41½	42½
21	18½	1	5.2	Do. pref.	255	18¾	19	18½	18¾
1.10	1.00	5c	...	Walkerville Br.	....	(1.10 bid 1.20 asked)			
136	136	7	5.2	W. Koot. Pr. p.	....	(135 bid — asked)			
1.20	1.00	.	...	West. C. Flour.	....	(1.10 bid 1.50 asked)			
29	18	.	...	Do. pref.	230	26	29	27	29
51	44	3+2	10.2	West Grocers	....	(— bid 60 asked)			
111	109	7	6.4	Do. pref.	....	(109 bid 120 asked)			
§15½	11¾	50c	...	W'minster Pap.	....	(— bid — asked)			
11½	9¾	80c	8	Weston Ltd.	235	10	10	9¾	9¾
94½	90	5	5.4	Do. pref.	55	90	92	92	92
16½	14¾	1	6.8	Wilsils	40	15	15	14¾	14¾
1.15	.65	.	...	Winnipeg El. A.	224	1.00	1.15	1.10	1.15
1.25	.60	.	...	Do. (B)	16	1.00	1.15	1.00	1.15
12½	5½	.	...	Do. pref.	600	10	12½	10	12
80	70	7	9.3	Wood, A & J p	....	(68 bid 79 asked)			
60	55	.	...	Woods Mfg. pf.	....	(56 bid 65 asked)			
5	4½	40c	...	York Knitting	....	(4 bid 5½ asked)			
●100	100	7	...	Do. 1st pref.	....	(— bid — asked)			
12	10¾	80c	6.7	Zellers	40	11	12	12	12
25	24½	1.50	6.1	Do. pref.	....	(24½ bid 24¾ asked)			

Quotations: †1941. § 1940. ● 1939. *1938.
▲ On account of arrears.
■ Participating. ‡ Paid in 1941.
* Net after corporate income tax.
♦ Paid or payable in 1942 to date.

Mining Stocks

Week Ending June 22

Par Val.	Range 1942 High	Low	Company	Sales	Close June 15 (or last)	High for week	Low for week	Close June 22
			A					
No	.16½	.07½	Aldermac	2,300	.11½	.11	.10	.10
1	.00½	.00½	Amm. Gold	......	(.00½ bid .... asked)			
No	2.55	1.75	Anglo-Huronian	116	2.00	2.00	2.00	2.00
No	.25	.25	Argus Interests	......	(.25 bid .... asked)			
No	†.03	.01	Arno	......	(.01½ bid .... asked)			
1	.04½	.02	Ashley	1,000	.03	.02½	.02½	.02½
1	.02	.01½	Astoria Quebec	1,000	.02	.02	.02	.02
1	1.47	.85	Aunor Gold	4,700	1.20	1.18	1.00	1.05
			B					
1	.06	.02	Bagamac	500	.04	.04½	.04½	.04½
1	.05½	.02½	Bankfield	800	.04	.04	.03	.03½
No	.09½	.06	Base Metals	200	.08	.06½	.06½	.06½
1	.06½	.02½	Bear Exploration	8,500	.04½	.04½	.04½	.04½
1	.94	.56	Beattie Gold	1,100	.74	.75	.73	.73
1	.03	.02½	Beaufor	......	(.03 bid .05 asked)			
1	.65	.60	Berens River	......	(.35 bid .80 asked)			
1	.10	.04½	Bidgood Kirk	4,000	.07	.08	.06½	.06½
1	.12½	.06	Bobjo	6,000	.11½	.11½	.10½	.10½
1	.32½	.09	Bonetal Gold	2,000	.11	.11	.10	.10
1	.03	.01½	Bouscadillac G.M.	......	(.01½ bid .02½ asked)			
No	9.30	6.60	Bralorne	1,035	7.65	7.75	7.25	7.25
1	*.03	.02½	Brasil Gold	......	(.... bid .02½ asked)			
1	.00½	.00½	Brett Trethewey	......	(.00½ bid .00½ asked)			
1	.61	.36	Broulan Porc.	8,600	.50	.50	.43	.43
1	2.80	.90	Buffalo Ankerite	1,300	1.80	1.71	1.65	1.65
No	.02½	.01	Buffalo Can.	1,000	.02	.02½	.02	.02½
5	12.50	5.00	Bulolo Gold	425	8.50	9.00	8.25	8.25
No	.01½	.01	Bunker Hill	500	.01	.01½	.01½	.01½
			C					
1	*.11	.05	Camp Bird	......	(.02 bid .09 asked)			
No	.49	.23	Can. Malartic	200	.40	.40	.40	.40
1	1.72	1.00	Cariboo Gold	500	1.15	1.15	1.15	1.15
1	.01	.00½	Cartier Malartic	......	(.01 bid .... asked)			
1	.60	.45	Castle Trethewey	840	.58	.57	.57	.57
1	.05	.02	Cen. Cadillac	500	.03	.02½	.02½	.02½
1	1.30	.80	Cen. Patricia	3,200	1.06	1.05	.95	.95
1	.10½	.05	Cen. Porcupine	700	.07½	.07	.07	.07
1	†.18½	.15	Century Mining	......	(.... bid .13½ asked)			
1	1.50	.70	Chesterville	10,503	.92	.90	.73	.75
No	2.20	1.20	Chromium	......	(1.40 bid 1.95 asked)			
5	1.10	.50	Coast Copper	......	(.... bid 1.10 asked)			
1	.74	.46	Cochenour Willans	5,300	.71	.71	.62	.62
5	1.15	.80	Coniagas	......	(.76 bid [illegible] asked)			
No	.94	.60	Coniaurum	100	.75	.75	.75	.75
5	39.00	36.87	Cons. Smelters	1,502	38.00	37.50	36.87	37.25
			D, E					
1	.65	.26½	Delnite	500	.45	.55	.55	.55
1	.06	.02½	Denison Nickel	35,600	.05½	.05½	.04½	.05½
No	17.50	10.37	Dome Mines	1,089	15.50	15.50	14.00	14.00
1	.10	.02½	Duquesne	7,000	.03½	.03½	.03	.03½
1	2.24	1.22	East Malartic	10,125	1.64	1.61	1.30	1.37
1	.49	.32	Eldorado	3,200	.44½	.43½	.40	.40
			F, G					
No	3.60	2.30	Falconbridge	100	2.60	2.60	2.60	2.60
1	.02½	.01½	Federal	1,000	.02½	.01½	.01½	.01½
No	.42½	.19	Francoeur Gold	4,300	.25	.25	.20	.21
1	.04	.01½	Gillies Lake	......	(.02½ bid .... asked)			
1	.01	.01	Glenora	5,000	.01	.01	.01	.01
No	.20	.08	God's Lake	4,400	.11	.11	.10½	.10½
1	.11½	.06½	Goldale	5,000	.09½	.09½	.09½	.09½
50c.	.15	.13	Gold Belt	......	(.12 bid .15 asked)			
1	.06½	.03½	Gold Eagle	200	.06½	.06	.06	.06
1	.04½	.01	Golden Gate	5,200	.02	.02	.01½	.01½
1	.00½	.00½	Goodfish	......	(.00½ bid .01 asked)			
1	.01½	.01½	Graham Bosquet	......	(.01½ bid .02½ asked)			
No	.05	.03½	Grandora	......	(.03 bid .... asked)			
1	.02	.01½	Grull Wihksne	......	(.01½ bid .02½ asked)			
1	.14	.07	Gunnar Gold	2,300	.09	.09	.08½	.09
			H, I, J					
1	.03	.01½	Halcrow Swayze	......	(.01½ bid .03½ asked)			
1	.00½	.00½	Halliwell Gold	2,000	.00½	.00½	.00½	.00½
1	3.00	1.80	Hallnor Mines	40	2.15	2.20	2.20	2.20
1	.55	.32	Hard Rock	1,000	.42	.41	.41	.41
1	.04½	.02	Harker	......	(.02 bid .05 asked)			
1	.29	.25½	Hedley Mascot	......	(.25 bid .... asked)			
5	[illegible].50	6.65	Hollinger	3,795	8.50	8.65	8.20	8.30
1	.20	.13	Howey Gold	1,100	.17½	.16	.16	.16
No	28.12	21.75	Hudson Bay	893	23.00	23.25	23.00	23.00
1	.30	.19	Inspiration	2,700	.30	.29	.23	.26½
No	36.25	29.00	Int. Nickel	2,913	31.00	32.25	30.50	30.50
50c.	*1.30	.85	Island Mountain	......	(.... bid 1.35 asked)			
1	.01½	.01	Jacola	......	(.00½ bid .01 asked)			
1	.20	.06	Jack Waite	......	(.08½ bid .15½ asked)			
1	.29½	.15	Jason Mines	3,560	.17	.17	.15	.15½
1	.02½	.01	Jellicoe	500	.02	.02	.02	.02
1	.01½	.00½	J. M. Cons. Gold	......	(.00½ bid .01 asked)			
1	.03½	.01½	Joliet Quebec	......	(.01½ bid .02 asked)			
			K, L					
1	4.40	2.93	Kerr Addison	11,181	4.25	4.35	3.85	3.85
1	.22	.22	Kerr Lake	......	(.10 bid 1.00 asked)			
1	.05	.00	Kirk. Gold Rand	......	(.03 bid .05 asked)			
1	.26	.12	Kirk. Hud. Bay	......	(.18 bid .25 asked)			
1	.62	.40	Kirkland Lake	2,200	.51	.52	.49½	.50
1	12.00	6.75	Lake Shore	980	9.25	9.75	8.75	8.75
No	4.15	3.15	Lamaque Gold	350	4.00	4.10	3.50	3.50
1	.09	.04	Lapa Cadillac	1,500	.07½	.07	.06½	.06½
1	.01½	.00½	Lebel Oro	....	(.00½ bid .01½ asked)			
1	.60	.38½	Leitch Gold	3,090	.58	.55	.51½	.51½
No	1.35	.90	Little Long Lac	2,290	1.00	1.05	.99	1.00
			M					
1	2.85	2.02	Macassa	1,735	2.45	2.35	2.20	2.25
1	1.68	1.05	MacLeod Cockshutt	4,950	1.46	1.48	1.30	1.35
1	.54	.30	Madsen Red Lake	7,600	.50	.50	.41	.41
1	2.22	1.15	Malartic Gold	34,840	1.81	1.80	1.45	1.49
No	.00½	.00½	Man. & Eastern	......	(.00½ bid .00½ asked)			
1	.02	.01	Maralgo	......	(.01½ bid .04 asked)			
5	45.50	36.00	McIntyre	825	41.00	41.75	39.50	39.50
1	1.04	.50	McKenzie R. L.	12,100	.61	.62	.57	.57
1	.03	.01	McLellan Gold	6,000	.02	.02	.02	.02
1	.05	.03	McVittie Graham	......	(.04 bid .07 asked)			
No	.10	.06½	McWatters	3,000	.09	.09½	.07½	.07½
5	†.20	.15	Mentor Exploration	......	(.... bid .... asked)			
No	1.40	.95	Mining Corp.	3,500	1.20	1.22	1.12	1.15
1	†.05	.05	Moffatt Hall	......	(.... bid .... asked)			
1	.30	.20	Moneta	5,100	.27½	.28	.25	.25
			N, O					
1	.23	.08½	Naybob	10,400	.14	.13½	.11½	.12
1	.50	.21	Negus Mines	......	(.36 bid .38 asked)			
5	1.04	.75	Nipissing	1,671	.90	.90	.85	.85
No	52.00	41.00	Noranda	1,490	45.00	45.00	43.75	43.75
No	.25	.14	Nor. Canada	......	(.15 bid .... asked)			
1	.04	.03	Norgold	......	(.02½ bid .04 asked)			
No	.90	.61½	Normetals	3,098	.70	.70	.63	.63
1	*5.00	3.75	Northern Empire	......	(2.00 bid .... asked)			
1	.91	.48	O'Brien	3,800	.72	.70	.60	.60
1	.10	.05	Omega	1,029	.10	.10	.08	.08
1	.16	.06½	Ontario Nickel	180,350	.13½	.13½	.12	.13
1	.06	.02	Osisko	......	(.02½ bid .... asked)			
			P, Q, R					
No	.90	.50	Pamour	2,950	.58	.52	.50	.50
1	.04	.03	Pandora	......	(.03 bid .... asked)			
1	.02	.01	Partanen Mal.	......	(.01 bid .01½ asked)			
1	3.00	2.00	Pato Cons. G.	50	2.05	2.00	2.00	2.00
1	.00½	.00½	Pawnee Kirk	......	(.00½ bid .01 asked)			
1	.19	.10	Paymaster	4,000	.15	.15½	.15½	.15½
1	1.75	1.15	Pend Oreille	2,425	1.30	1.27	1.20	1.20
1	1.35	1.00	Perron Gold	1,500	1.05	1.05	1.00	1.01
1	2.35	1.38	Pickle Crow	3,205	1.90	1.90	1.70	1.70
1	2.20	1.30	Pioneer Gold B.C.	1,925	1.40	1.41	1.35	1.36
1	5.00	4.25	Placer Devel.	40	5.00	5.00	5.00	5.00
1	.78	.42	Powell Rouyn	1,200	.59	.58	.57	.57
1	.60	.35	Premier Gold	1,200	.50	.48	.48	.48
1	3.20	1.64	Preston E. Dome	7,792	2.15	2.15	1.83	1.83
No	.20	.15	Prospectors Air's.	......	(.10 bid .20 asked)			
1	.25	.20	Quebec Gold	500	.20	.20	.20	.20
1	.39	.08	Queenston Gold	1,100	.24	.20	.20	.20
No	.06	.02	Quemont	......	(.03 bid .05 asked)			
No	.00½	.00½	Red Crest	......	(.... bid .03 asked)			
1	.45	.40	Reeves McDonald	......	(.... bid .... asked)			
1	.23	.02½	Reno Gold	2,150	.03½	.04	.02½	.04
1	.03	.02	Roche Long Lac	......	(.02½ bid .04½ asked)			
			S, T, U, V, W, Y					
1	2.05	1.35	San Antonio	3,566	1.75	1.75	1.55	1.55
1	.02½	.01	Sand River	......	(.00½ bid .... asked)			
1	.18	.09	Senator Rouyn	1,000	.17	.15	.15	.15
1	.01½	.01	Shawkey	100	.01	.01	.01	.01
50c.	.83	.68	Sheep Creek	2,200	.77	.74	.72	.72
1	.98	.60	Sherritt Gordon	1,873	.70	.70	.60	.70
1	6.00	4.05	Sigma Mines	100	5.25	5.20	5.20	5.20
1	.50	.28	Siscoe	3,300	.43	.43	.40	.40
1	.34	.17	Sladen Malartic	3,900	.25	.26	.24	.24
1	.06	.01	Slave Lake	8,000	.02½	.02	.02	.02
1	.04	.01½	St. Anthony	......	(.... bid .01½ asked)			
No	1.96	1.30	Steep Rock	15,050	1.52	1.52	1.32	1.34
No	.01½	.00½	Straw Lake	......	(.01 bid .01½ asked)			
1	.13½	.08½	Sturgeon River	5,000	.12	.12	.12	.12
No	1.70	1.10	Sudbury Basin	350	1.55	1.55	1.50	1.50
1	.02½	.01½	Sudbury Contact	......	(.01½ bid .03½ asked)			
1	.65	.48	Sullivan Cons.	2,100	.65	.65	.55	.59
1	1.98	1.15	Sylvanite	2,000	1.65	1.55	1.45	1.45
1	2.34	1.55	Teck Hughes	4,820	1.80	1.80	1.65	1.66
1	.03½	.03	Temiskaming	......	(.03 bid .04 asked)			
1	1.10	.80	Toburn Gold	600	.85	.80	.80	.80
1	.13	.09	Towagmac	......	(.10 bid .12 asked)			
No	.60	.27½	Trans. Resources	1,000	.35	.29½	.27½	.27½
1	.05	.01	Uchi Gold	1,000	.04½	.04½	.04½	.04½
.	40.00	15.00	Uchi Bonds	100	30.00	26.00	26.00	26.00
1	1.24	.59	Upper Canada	31,200	.97	.95	.84	.84
No	5.00	2.95	Ventures	1,750	4.60	4.75	4.15	4.15
No	4.80	4.00	Waite Amulet	1,489	4.35	4.25	4.20	4.25
1	.17	.08	Wendigo	1,000	.14	.17	.14½	.14½
1	.01½	.00½	Wiltsey Coughlan	......	(.00½ bid .... asked)			
1	.04	.02	Wood Cadillac	4,500	.03½	.03	.02½	.02½
No	2.90	1.81	Wright-Hargreaves	4,965	2.50	2.50	2.17	2.17
No	.05	.02½	Ymir Girl	500	.03½	.03	.03	.03

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close June 15 (or last)	High for week	Low for week	Close June 22
No	.10	.03	Acme Gas & Oil	1,000	.06	.06	.06	.06
1	.07½	.05	Alta. Pac. Cons.	......	(.06 bid .... asked)			
1	.13	.09	Ajax	......	(.10½ bid .16 asked)			
No	.56	.32	Anglo Canadian	1,050	.40	.40	.37	.37
No	.29	.10	Br. Dominion	......	(.11½ bid .14 asked)			
No	.07	.04	Brown Oil	1,000	.06	.04½	.04½	.04½
No	1.20	.80	Calgary & Ed.	600	1.00	1.05	.96	.96
1	.18	.11	Calmont	200	.14	.15	.15	.15
No	.22	.15	Commoil	......	(.14 bid .20 asked)			
No	.30	.18	Common Pete	......	(.18 bid .20 asked)			
No	.30	.12	Dalhousie	100	.18	.16	.16	.16
No	.17½	.12	Davies Pete.	500	.12½	.12½	.12½	.12½
No	.04	.02	East Crest	500	.02½	.02½	.02½	.02½
No	.32	.32	Federated Pete	......	(.32 June 15)			
No	.85	.55	Foothills	......	(.70 bid .80 asked)			
No	.01	.01	Grease Creek Pete	......	(.00½ bid .02 asked)			
No	†.08	.04	Hargal	......	(.... bid .10 asked)			
No	.20	.08	High Sarcee	......	(.08 bid .10 asked)			
No	2.70	2.25	Home	3,660	2.35	2.36	2.25	2.25
1	.07	.02	Homestead O. & G.	15,500	.03½	.03½	.03	.03½
No	.04	.02½	McD. Segur	500	.02½	.03½	.03½	.03½
1	.20	.13	Model	......	(.18 bid .21 asked)			
25c.	.04	.04	National Petroleum	......	(.... bid .05 asked)			
1	.05	.03½	Nordon	500	.04	.03½	.03½	.03½
No	.03	.01	Oil Selections	......	(.02 bid .03 asked)			
No	.40	.22	Okalta	......	(.27 bid .30 asked)			
No	.04½	.02	Pacalta	1,300	.03	.02½	.02½	.03
1	*.27	.15	Pacific Petroleum	......	(.20 bid .23 asked)			
No	.25	.25	Petrol Oil & Gas	......	(.... bid .50 asked)			
No	19.75	16.50	Royalite	285	18.00	17.50	17.00	17.00
No	.05	.02½	South End	......	(.... bid .03½ asked)			
No	.17	.10	South West Pete.	......	(.10 bid .... asked)			
5	1.60	.70	Texas Can.	......	(.75 bid 1.00 asked)			
No	.04½	.03	United Oils	......	(.08½ bid .05 asked)			
1	.13	.05½	Vermilata	2,500	.11	.11½	.09	.09
1	.22	.15	Vulcan	......	(.... bid .20 asked)			

Vancouver Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close June 15 (or last)	High for week	Low for week	Close June 22
1	.05½	.03	Bayonne Cons.	......	(.... bid .03 asked)			
No	9.20	6.55	Bralorne	785	7.40	7.70	7.50	7.50
1	*.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	1.74	1.00	Cariboo Gold	595	1.15	1.20	1.18	1.18
No	.01	.00½	Dentonia	......	(.... bid .01 asked)			
No	.00½	.00½	Fairview Amal.	......	(.00½ bid .... asked)			
1	.20	.10	George Copper	45	.20	.15	.15	.15
1	.06½	.04	Golconda	......	(.04 May 26)			
50c.	.18	.13	Gold Belt	1,000	.18	.14	.14	.14
50c.	.18	.13	Grandview	2,425	.13	.13	.13	.13
1	.03½	.00½	Grull Wihksne	......	(.01½ bid .02½ asked)			
1	.35	.25	Hedley Mascot	3,000	.27	.27	.25	.25
No	.00½	.00½	Home Gold	......	(.00½ bid .... asked)			
1	.01½	.01½	Indian Mines	......	(.01½ bid .01½ asked)			
50c.	1.06	.96	Island Mountain	......	(1.00 bid 1.10 asked)			
1	.30	.28	Inter'tl Coal	......	(.30 bid .34½ asked)			
50c.	.25	.15	Kootenay Belle	500	.18	.17	.17	.17
1	.20½	.18	McGillivray Creek	2,000	.18	.18½	.18½	.18½
No	.01	.00½	Minto Mines	......	(.00½ bid .... asked)			
50c.	.02	.01½	Nicola	......	(.01½ bid .01½ asked)			
1	.10	.08	Pacific Nickel	......	(.... bid .08½ asked)			
1	1.75	1.10	Pend Oreille	400	1.30	1.25	1.25	1.25
1	2.15	1.30	Pioneer Gold	1,300	1.35	1.40	1.39	1.40
No	.01½	.00½	Premier Border	......	(.01 bid .01½ asked)			
1	.60	.38	Premier Gold	2,300	.52½	.50	.50	.50
No	.60	.26	Privateer Mines	5,100	.31	.31	.30	.30
1	.02	.01	Quatsino Copper	......	(.01½ bid .... asked)			
1	.50	.27	Reeves McDonald	......	(.... bid .27 asked)			
1	.23	.02	Reno Gold	1,500	.03½	.03½	.03½	.03½
50c.	.00½	.00½	Salmon Gold	......	(.00½ May 18)			
50c.	.84	.68	Sheep Creek	8,600	.77	.77	.74	.74
1	.75	.50	Silbak Premier	10	.74	.50	.50	.50
No	*.00½	.00½	Silvercrest	......	(.... bid .... asked)			
50c.	.10	.06	Surf Inlet	......	(.06½ bid .... asked)			
No	*.03	.02	Taylor Bridge	......	(.... bid .04 asked)			
20c.	.02½	.01	Wellington	......	(.01 bid .01½ asked)			
1	.04½	.02	Whitewater	1,000	.03	.02½	.02½	.02½
No	.04	.04	Ymir Yankee Girl	......	(.03 bid .... asked)			

Oil Quotations

Par Val.	Range 1942 High	Low	Company	Sales	Close June 15 (or last)	High for week	Low for week	Close June 22
1	.07	.05	Alta. Pac. Cons.	......	(.06 bid .... asked)			
No	.55	.35	Anglo Canadian	......	(.35½ bid .40 asked)			
No	.03	.02½	Anaconda	......	(.... bid .02½ asked)			
No	.25½	.19	Brit. Dominion	......	(.25 Apr. 2)			
No	*.07½	.05	Brown Oil	......	(.... bid .... asked)			
No	1.17	.80	Calgary & Ed.	......	(1.00 bid 1.05 asked)			
1	.17	.10	Calmont	500	.13	.15	.15	.15
No	.23	.15	Commoil	......	(.14 bid .... asked)			
No	.28	.19	Commonwealth	......	(.19 bid .21 asked)			
No	.22	.14	Dalhousie	......	(.15 bid .... asked)			
No	.16½	.12	Davies Pete	......	(.12 bid .... asked)			
No	.02½	.02½	East Crest	2,000	.02½	.02½	.02½	.02½
No	*.36½	.21	Federated Petroleum	......	(.... bid .... asked)			
No	.85	.60	Foothills	......	(.65 bid .80 asked)			
No	.20	.10	High Sarcee	......	(.07½ bid .... asked)			
No	2.67	2.27	Home Oil	5,125	2.35	2.33	2.27	2.27
No	.01½	.00½	Madison	......	(.01½ bid .... asked)			
No	.01½	.01	Marjon Oil	......	(.01½ bid .01½ asked)			
No	.04½	.02½	McD. Segur Ex.	......	(.03½ bid .05 asked)			
No	.05½	.03½	Mercury	1,000	.05½	.05	.05	.05
No	.07	.05½	Mill City Pete	......	(.06½ bid .08 asked)			
1	.20	.12	Model	500	.18	.19½	.19½	.19½
25c.	.04½	.04	National Pete	......	(.04 bid .... asked)			
1	.03	.03	Nordon	......	(.03 bid .... asked)			
No	.40	.20	Okalta	300	.29	.26	.26	.26
No	.04	.03	Pacalta Oil	5,000	.03½	.03	.03	.03
1	.25	.14	Pacific Petroleums	......	(.18 bid .20 asked)			
No	.05½	.03	Royal Canadian	2,000	.03	.03½	.03½	.03½
No	†.10½	.06	Royal Crest	......	(.... bid .... asked)			
No	18.63	16.00	Royalite	......	(17.00 bid 18.00 asked)			
No	.05	.03	South End	......	(.... bid .... asked)			
No	.20	.15	Southwest Pete	......	(.15 Mar. 9)			
1	.04	.04	Spooner	......	(.05 bid .... asked)			
25c.	.09½	.08	Sunset Oil	......	(.06½ bid .... asked)			
No	.04½	.02	United	......	(.04 bid .... asked)			
No	.05	.04	Vanalta	2,000	.04½	.05	.05	.05
1	.20	.12	Vulcan	......	(.15 bid .... asked)			

* Quotations for 1941; † 1940.

Winnipeg Stocks

(Transactions from June 15 to June 20)

	Sales	High for period	Low for period	Close June 20
Forty-Four	1,500	.14	.12	.14
Marvel Oils	3,000	.05	.04½	.05
Nor. Can. Mortgage units	4	5.50	5.50	5.50
Sachigo River	20	4.50	4.50	4.50

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, p.	35	..
Beav. Lumber, p	100¼	..	Grouped Inc.	..	4⅛
Beav. Lumber, c	2½	4	Home Invest.	27½	..
Can. Indemnity	150	..	Traders Bldg.	44	..
Corr. Pap. Box c	2	..	Un. Grain	10½	..
Dom. Envel., c.	..	8½	West. Brew.	1⅞	2¼
Dom. Envel., p.	94	96½	West. Grain, p.	..	7
Fed. Grain, c.	.35	1¼	West. Steel	7	9

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
June 23	4,200	1,800	105,000	......
June 22	7,700	7,800	183,000	4,220
June 20	4,000	1,500	43,000	3,925
June 19	7,700	3,700	91,000	7,200
June 18	7,700	4,400	160,000	13,650
June 17	9,200	2,600	95,000	4,800

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

June 23, 1942

Dominion of Canada Bonds

%	Due	Bid	Ask.	Approx. Yld.
3	Oct. '42	100½	101	.60
2½	June '43	101	101¼	1.05
5	Oct. '43	104¼	104¾	1.40
2	June '44	100¾	101¼	1.44
1½	Sept. '44	99¾	100¼	1.42
2½	Jan. '44	99½	100¼	2.25
4½	Oct. '44	106	106½	1.74
2½	Nov. '44	101¾	102¼	1.58
a2½	Aug. '45	99½	100¼	2.50
4	Oct. '45	102¾	103¼	b1.67
2	Mar. '45	100¼	101	1.63
2	Dec. '46	99¾	99¾	2.03
4½	Feb. '46	109	109½	1.84
2½	Mar. '48	99½	100	2.25
3½	June '49	102¾	103¾	b2.35
3½	Oct. '49	102¼	103¼	b2.09
3½	Nov. '51	102	102¼	b2.83
3½	Feb. '52	102¼	102¾	♦2.50
a5	May '52	100¾	101¾‡	b
4	Oct. '52	106	106½	b2.68
●3	June '51	100¼	100¾	3.00
3	Oct. '52	99½	100	3.00
3	June '55	99½	100	3.00
4½	Nov. '56	107	107½	b2.71
●3	Mar. '54	99¾	100¼	3.05
4½	Nov. '57	107¾	108¾	b2.85
3	June '58	99½	100	3.00
4½	Nov. '58	108½	109	b2.95
4½	Nov. '59	109¾	110½	b2.95
a4	Oct. '60	104¾	‡105½	b3.22
a3½	Jan. '61	98½	99½‡	3.28
3½	June '66	101¼	101¾	b3.10
a3e	Jan. '67	95	96‡	3.23
a3e	Nov. '68	95	96‡	3.22
†3	Perpet'l.	94½	95½	3.15

Dominion Guarant'd Bonds — Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100¼	100¾	.99
2½	Jan. '46	100¼	101	1.97
3	May '44	102¼	103	1.44
3	Dec. '50	99¾	100¼	2.97
3	Jan. '59	98¾	99½	3.06
*4½	Sept. '51	118	119	2.22
*4½	Feb. '56	119	120	2.77
4½	July '57	119½	120½	2.85
3	Feb. '53	99	99½	3.05
4¾	June '55	120½	121¼	2.77
5	Feb. '54	118¼	119	3.09

%	Due	Bid	Ask.	Approx. Yld.
*5e	July '69	118	119	...
*5e	Oct. '69	122	123	b2.25
*5e	Feb. '70	122	123	b2.34
	Can. Nat. W. Ind. S. S.:			
*5	Mar. '55	122	123	2.87
	Grand Trunk Pacific Rly.:			
3	Jan. '62	100¾	101¾	2.88
	Provincial Gov't. Bonds			
	New Brunswick:			
3	Oct. '51	94½	96½	3.43
3½	Aug. '49	96	98	3.57
3½	June '56	96½	98½	3.64
c4	Nov. '47	105	107	b1.87
c4½	Apr. '61	108	110	3.76
c5	Jan. '60	110½	112½	4.02
	Nova Scotia:			
3	Jan. '52	97½	99	3.12
3½	June '56	99½	101	3.16
3½	Nov. '50	101½	103	3.10
c4½	Sept. '52	110	112	b2.07
c4½	Nov. '60	112¾	114¾	3.42
c5	Mar. '60	118½	120½	3.46
	Ontario:			
2½	May '45	100¼	101¼	2.07
3	Apr. '48	100	101	b2.73
3	Nov. '50	99½	100	3.00
3½	Nov. '51	100¾	101¾	b2.99
3½	May '55	100½	101½	b3.07
*4	June '62	111	113½	3.09
4½	June '50	109½	110½	3.05
*4½	Jan. '62	117½	120	3.14
5	Oct. '48	110½	111½	3.01
*5	Dec. '60	123	125	3.20
5½	July '46	109½	111	2.67
	Ont. Hydro Commission:			
3	Aug. '4[illegible]	100	101	b2.74
3½	Feb. '53	100¾	101¾	b2.99
3½	Apr. '47	102½	104	2.63
	Prince Edward Island:			
4	Mar. '54	101½	103	3.68
	Quebec:			
3	Nov. '47	98	99	3.20
3½	Mar. '48	99	100	3.25
3½	Mar. '59	99½	100½	b3.47
4	Nov. '52	102½	103½	b3.52

%	Due	Bid	Ask.	Approx. Yld.
3¾	Feb. '55	100½	102	b3.50
4½	Aug. '58	105½	107½	3.63
4½	Jan. '63	110	112	3.66
	Alberta:			
4½	Oct. '51	72¾	..	d
4½	Oct. '56	67	71	d
4	Dec. '54	66	69	d
*5	Oct. '59	68	72	d
c5½	Apr. '52	69	73	d
6	Mar. '47	71	75	d
	British Columbia:			
c4	Dec. '57	101	103	3.75
*4½	Jan. '51	106	109	3.28
c4½	Oct. '53	108	111	3.34
c5	Apr. '54	114	...	...
5½	Feb. '45	104	106	3.20
6	Feb. '47	108	110	3.68
	Manitoba:			
c4	Dec. '57	98	100	4.00
c4½	Dec. '56	100	102½	4.27
*5	Dec. '59	104	107	4.42
5½	Oct. '55	104	107	4.79
6	Apr. '47	105	107	4.27
	Saskatchewan:			
4	Sept. '54	79	82	6.07
4	Nov. '60	78	81	5.82
c4½	Oct. '51	88½	91	5.74
c4½	Mar. '60	84	87	5.60
5	Aug. '58	87	90	5.90
5½	Oct. '52	93	96	6.02
6	Mar. '52	96	99	6.09

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated to 1950 average maturity. ●-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co. Toronto)

June 23, 1942

Industrials:	Bid	Ask.
Acme Farm., pf.	47	52
Andian National	25½	26½
Anglo C. Tel., A	6½	7
B. C. Pulp, c.	9¾	10½
Do., pfd.	63	66
B. C. Sugar	63	66
B. C. Tel., 1st p.	102	..
Brown, com.	1¼	1¼
Do., pfd.	23	25
Burns & Co., A	2	3½
Do., B	1	1¾
Can. Co-op. Wl.	8	..
Can. Indust., A	147	150
Can. Airways	1¾	1¾
Can. Ing. Rand	70	..
Can. Mot. L.A.B.	5	..
Can. Tube, c.	6	..
Do., 1st pf.	88	..
Chase, A. W., p.	18	19½
Colonial Realty	2	..
Colonial Steam.	45	50
Corr. Pap. Box c	2	3
Copeland Fl. un.	13	15
Dunlop T. p $25	17	18
Easy Wash. p $10	9½	11
Galt Brass, c.	9	12
Goderich Elev.	7	8
Guard. Realty, p	14	16½
Guelph Carp., c.	16	18
Gurney Fdry., p	1	1½
Hayes Steel, c.	13	15
Hi'land Dairy, p	..	44
Inglis, John	6	7½
Ingram & Bell, p	94	..
Kingst. Ship., un	40	..
Do., com.	8	..
Loblaw, Inc., c.	12	13
Minn.&Ont. P. c.	3	3½
M'row Screw, p.	100	105
Do., com.	14	15½
Morrison Br. un	5	6
Moirs, Ltd.	18	20

	Bid	Ask.
Neilson, Wm., p.	100	..
N. Meth. Ldy. p.	67	..
Ont. Tobacco, p.	17	20
Prov. Paper, pf.	100	101½
Quinte Milk	●2½	3½
Stand. Fuel, c.	½	1½
Stand. Fuel, p.	51	54
Do., com.	½	1½
Stedman, pf. $50	50	55
Sutton Horsley	½	1
Tor. Carpet, c.	61	..
Do., pfd.	68	73
Un. F. Co-op.	3	4
Un Steel A pf.	23	24½
Viceroy Mfg., c.	12	..
Trust & Loan Stocks:		
Brit. Mtge.	120	130
Brockville Tr.	44	..
Capital Tr.	28	31
Comm. Fin., c.	4½	..
Grey&Br. Tr. $50	43	..
Guaranty Trust	100	104
Guelph & O. $50	50	53
Indust. Mtge.	24	..
Lambton Loan	31	34
Midland Loan	14	16
Premier Trust	30	37
Sherbrooke Tr.	120	..
Sterling Trust	50	53
Th. Can. Inv. Tr.	1¾	1¾
Traders Fin. A c	4	6
Do., A pfd.	55	60
Trusts & Guar.	30	33
Victoria Trust	65	68
Waterloo Trust	100	..
Insurance Stocks:		
Canada Life	360	370
Brit. Amer.	50	53
Canadian Fire	77	81
Confed. 30% pd.	128	136
Cons. Fire Cas.	3¾	..

	Bid	Ask.
Continental L.	30	35
Crown, fully pd.	260	280
Dominion Fire	138	..
D. of Can. Gen.	114	120
Empire, 25% pd.	4	6
Excelsior 40% pd	68	72
Great-West Life	202	207
Federal, 25% pd.	52	54
Halifax Fire	14	16
Imperial Life	260	270
Manufac. Life	218	222
Monarch Life	32	35
National Life	7	10
Sov. L. 25% pd.	12	14
Sun Life	220	240
Tor. General	4½	5½
Wellington Fire	58	..
Western Assce.	36½	38½
Theatre Stocks:		
Allen's, St. Cath. units	53	58
Do. Kings'n un	61	63
Loew's London p	4	..
Mansf. Theat., p	30	31½
Para., Kitch., p.	49	..
Do., Oshawa, c	7	9
Investment Trust Shares:		
Inv. Found. un.	42	44
Sec's. Hold., pf.	19	22
United Corp., A	20	22
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas	26	28
Do., pfd.	102	..
Gt. Lakes Pr., p	100	103
Int. Util., $1.75 p	10	13
Do., $3.50 pf.	25	27½
Mtl. Isl. Pwr., p.	41	..
Nor. Ont. Pr. p.	70	74

Unlisted Mines

Toronto, June 23, 1942

	Bid	Ask
Albany R. (Old)	.01	.03
(New)	.06	.08
Amal Kirk	.04½	.05½
Anoki	.02	.03
Aquarius	.14	.17
Arjon	.02½	.03½
Armistice	.02½	.05
Argosy	.03	..
Area	.04½	.05½
Arntfield	..	.01½
Athona (New)	.01	.02
Barb Lard	.01½	.02½
Brock	.04	.04½
Bellete'e	1.75	2.50
Can Rad	.08	.10
Central M	.01½	.02
Cheminis	.02	.03½
Clonmel	1.23	1.75
Columbi'e	.17	.19
Cons Chib	.03	.06

	Bid	Ask
Delpine	.02	.05
Desantis (New)	.03½	.04½
Dona Pat	.00½	.01½
Eastward	.05	.10
Elmos	.03	.06
Franco	.17	.22
Galore	.00½	.01½
Goodrock	.34	.36
Hayes Cad	.02	.03
Hoyle new	.08	.10
Hugh PP	..	.03
Kirk Gate	.00½	.01½
Kir Town	.03	.06
Lacoma	.00½	.01½
Laguerre	.05	.07
Lake Duf	.19	.21
Lake Gen	.04	.08
Lw Pete	.12	.17
Magnet C	.33	.37
Magnet L	.08	..
Martin Bir	.02	.03

	Bid	Ask
Mata Can	.02	.04
Mata Con	.12	.15
McMar'ac	.05	.08
Mof Hal n	.01	.02
Mosher	.05½	.06½
McManus	..	.01½
Nat Mal	.10	.12
Nickel O	1.10	1.25
Norbeau	.15	.18
Norwin	.05	.06½
N Ribago	.00½	.01½
Numalake	..	.12
Oklend	.02½	.03½
O'Leary M	.03	.03½
Opemiska	.04	.06
Orpit	.02	.02½
Pascalis	.12	.15
Pontiac R (Old)	.03	..
Pelangio	.01	.02
Polaris	..	.03
Propri'y.	3.80	4.25

	Bid	Ask
Presdor	.01½	.02½
Queb Mn	.23	.25
Rand Mal	.09	.10
Red Lake	.00½	.01½
Ritoria	.01	.02
Rouge	.01	.03
Ranchmens (New)	.35	.37
Republic	.15	.16
S.A.G.A.	.35	.75
Sachigo	4.50	5.00
Sheldon	.03	.04
Skynner	.02	.03
Springer	.11	.13
Tombill	.10	.12
Thomson	.07	.08½
Union Mn	.02	.04
Wesley	.01½	.02
Y David'n	.20	.23

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 23, 1942

Public Utility Issues:	Int. Rate %	Due	Bid June 23	Asked	Bid June 16
▲Alg. Cen. H.B.R.	5	'59	17½	19½	19
†Assoc. Tel. & T.	5½	'55	68	71	69
B. C. Power	4½	'60	98½	101	99½
B. C. Tel.	4½	'61	105	107½	106
†Calgary Pwr.	5	'60	108	110	109½
Do.	5	'64	104½	106½	104
†Can. Nor. Pwr.	5	'53	102	104	102
*Dom. Gas & El.	6½	'45	103	106	103
Gatineau Pwr.	5	'49	100	102	100½
*Do., A	3¾	'69	100½	102½	100½
♦Do., B	3¾	'69	100	102	100
Gt. Lakes Pwr.	4½	'56	101	103	101
Do.	5	'57	98½	101	98½
*Int. Hydro-El.	6	'44	33½	36½	34½
▲Inter. Power	6	'55	100½	102½	100½
L. St. Law. Pwr.	5	'55	100	102½	100
Macl'n-Que. Pr.	4	'59	100½	102½	100½
Mtl. L. H. & Pr.	3½	'56	104	106	104
Do.	3½	'73	102	104	102
Do.	3½	'63	102	104	102½
†Mtl. Tramways	5	'51	102	104	101½
†Do.	5	'55	81	84	80½
Nat. Lt. & Pwr.	6	'49	102	104	102
N. S. Lt. Pr.	4	'57	101½	103½	101½
Ottawa L.H.&P.	4	'57	102	104½	102
Ottawa V. Pwr.	5	'59	101½	104	101½
†Power Corp.	4½	'59	91½	94½	92
Quebec Pwr.	4	'62	103	105	102½
*Saguenay P.	4½	'66	107	109	107
♦Do., B	4½	'66	105½	107½	105½
St. Maurice Pr.	4½	'70	104	106	103
Shaw. W. & Pr.	4	'61	103	105	103
Do.	4	'69	103	105	103
Union Gas	4½	'50	99	101½	99
*Twin C. R. Tr.	5½	'52	82½	85½	84
†United Secs.	5½	'52	93½	96½	94
‡Wpg. El. ser. A.	5	'65	86	89	86½
Do., B	5	'65	74½	77½	74½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	56	59	59½
Do., C.O.D.	5	'53	56	59	59½
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	94½	97½	95½
†Alta. Pa. Grain.	6	'46	103½	105½	103½
Algoma Steel	5	'48	102½	105½	102½
Atlantic Sugar	4	'51	101	103	101
†B. C. Pulp & P.	6	'50	89½	92½	90
‡†Do.	7	'50	106	..	105
*Brown Co.	5	'59	76½	79½	77
Burns & Co.	5	'58	67½	70½	67½
Canada Cement	4½	'51	103	105	103
Canada Electric	4½	'65	97	100	97
Can. Paper	4½	'52	101	104	101
Can. Steamship	5	'57	102	104½	102
Can. Canners	4	'51	101½	104	101½
*Can. Int. Paper	6	'49	103	105	103½
‡Can. Locomotive	6	'53	94½	97½	105½
‡†Candn. Vickers	6	'47	96½	99½	98
C. P. R.	3½	'51	97½	99½	97½
Do.	4	'49	101½	103½	101½
Col. Steamships	6	'54	101	103	101
†Consol. Paper	5½	'61	63½	66½	64
Dom. Coal	4½	'52	97	100	98
Dom. Scott. Inv.	4	'52	97	100	97
Dom. Ltl. & C.	6½	'55	103½	106½	103½
Dom. Tar	4½	'51	103½	106	103½
Dom. Woollens	6	'53	97½	100½	97
†Donnacona Pap.	4½	'56	72	75	72½
*Dryden Pap.	6	'49	101	104	100½
†East. Dairies	6	'49	76	80	75½
Famous Players	4½	'51	100½	103	100
†Federal Grain	6	'49	103½	105½	103½
†Fraser Cos.	6	'50	102½	104½	102
Galt Brass	5	'50	93	..	93
Gen. Stl. Wares	4½	'52	101½	104	101½
*Gt. L. Paper	5	'55	92½	95½	92
*Gurney Fdry.	5½	'49	87	90	87½
†Gypsum Lime	5½	'48	102	104½	102
Ham. By-Pr. C.	5	'55	101	104	101
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100	102	100
Inter-City Bak.	5½	'48	102	104	102
Indust. Accept.	4	'52	81	84	81
Ins. Ex. Bldg.	3	'51	49½	52½	49
*Inter. P. Nfld.	5	'68	96½	99	97½
†Kingston Elev.	6	'50	104½	107½	104½
Lake St. J. P.	5½	'61	78½	81	79
Do.	5	'61	53	56	53
Legare	6	'61	88½	91½	89
Maple L. M.	3	'58	85	87½	85
Man. Sugar	5	'60	102	104½	102
Massey-Harris	4½	'54	96	99	96½
McColl-Fron.	4½	'49	99½	102	99½
McCormicks	4	'52	97	100	97
Do.	4½	'52	104	106	104
Mercury Mills	5	'59	96	99	96
Mersey Paper	5	'57	94½	97½	94½
†Do.	6	'49	96	99	96½
*M. & O. Paper	5	'60	97½	99½	97½
Moirs Ltd.	6	'53	83	86	83
‡Mtrl. Drydocks	6	'43	82	85	81½
Montreal Apts.	4	'54	53½	56½	54

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Bid and asked as at June 23, 1942, and change in bids from previous week.

Miscellaneous Stocks:	Bid	Ask.	Chge.
†Allens Tor. Th., pfd.	32½	35½	+½
Atlas Steels, com.	20½	22	+½
Do., 7% pref.	105½	106¾	+½
Brantford Roofing, c.	2.30	3.00	—.05
*Can. Gen. Rubber, pfd.	..	27	+½
Can. Mach., new com.	9	10¾	+½
C.P.R., 4% p. (£ par)	1.75	2.50	+.10
Capital Wirecloth, pfd.	19	22½	+½
Cawthra Apts., pfd.	2.10	..	—.15
Century Finance, com.	..	27½	unch
Claude Neon, pfd.	1.10	1.85	unch
Collingwood Term., pf.	1	..	+.05
Do., com.	.75	..	—.10
Comm. Life, 10% pd.	5¾	7½	—½
Dairy Corp., pfd.	7½	10	+½
Dom. Alloy Steel, pfd.	.05	.15	unch
Dom. Life, 70% pd.	176	205	—1
Dover Industries	6	6¾	unch
Eastern Steel, 5% pfd.	20½	21½	+½
†Ft. Wm. Hotel, units	..	47½	+½
Hart Battery, com.	4½	5½	—½
London & West. Trusts	30½	33½	—½
Mont. Deb. Corp., pfd.	2.00	2.75	—.10
Mt. Royal, new com.	3.10	3.75	—.05
Murphy Paint, com.	8½	9½	unch
Do., 5½% pref.	87	89½	unch
Nat. Hosiery, com.	.70	1.05	—.05
Do., pfd.	.90	1.15	+.10
†N. Amer. Elev., 1st pfd.	87½	..	+½
Do., 2nd pfd.	26½	..	+½
Do., com.	..	1.65	—.10
St. John Dry D., 5½% p.	99½	101½	+½
Sterling Rubber, 6½% p	..	63	—½
Supertest Pete., 6% pfd.	25½	27½	—½
Tip Top Tailors Inc., un.	12½	13½	+½
Traders Finance, rts.	8	9½	+½
Viceroy Mfg., 6% pfd.	20½	22½	—½
Waterloo Mfg., new c.	.85	1.15	unch
West. Can. Hydro, pfd.	11	12½	+½
West. Life, 10% pd.	8¾	10	—½
Windsor Hotel, com.	2½	3	—½

* Issue carries arrears.
† Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid June 23	Asked	Bid June 16
Nat. Grocers	4	'47	101½	..	101½
N. S. Stl. Coal	3½	'63	82½	85½	82½
Price Bros.	5	'57	93	96	92
Do.	4	'57	..	79	..
*Prov. Paper	5½	'47	105	108	105
Reliance Grain	4½	'52	99	101½	99
†Restigouche Co.	6	'48	102	104½	102
Rolland Paper	4½	'51	101½	104	101½
Ruddy, E. L.	6½	'48	84	87	84
Silv. Dairies	6	'66	94½	97½	94½
Simpsons, Ltd.	4½	'51	100½	103	100
Smith, Howard	4½	'51	103½	105½	103
Stand. Lime	6	'44	98½	101½	98½
Sterling Coal	6	'45	99	102	99
Stop Shop	3	'47	62	65	62
Unit. Amuse.	5	'56	100	..	100
United Corp.	5	'53	94	97	94
*United Gas	5½	'48	104½	107½	104½
United Gr. Grs.	5	'48	101	104	101
†Western Grain	6	'49	64	67	62½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

June 23, 1942

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	114.00	117.00	3.74
Hamilton	5	1950	109.25	112.25	*
Montreal	5	1945	93.00	98.00	
Ottawa	4½	1945	104.75	106.25	2.45
†Quebec	5	1959	109.00	112.00	4.02
Saint John	5	1950	105.00	108.00	3.90
†Toronto	4½	1955	110.00	113.00	3.18
†Vancouver	5	1950	99.00	103.00	4.54
Winnipeg	5	1944	100.75	103.75	2.98

†Payable Can. & N.Y. *Flat.

Investment Trusts

	Bid	Asked
Affiliated Funds	1.73	1.96
Can. Amer. Trust	2.50	3.00
Can. Int. Trust	3.50	4.25
Can. Invest. Fund	3.00	3.30
Corp. Investors	5.14	5.55
Trans-Canada	8.63	9.50

Annual Meetings

1942	Company	Place
June 26	International Pwr.	Montreal
June 26	Loew's London	*Toronto
June 26	Standard Radio	*Toronto
June 26	East Kootenay Pwr.	Montreal
June 26	Levy Bros.	Hamilton
June 26	Mexican Lt. & Pwr.	Toronto
June 26	Mexico Tramways	Toronto
June 26	Ont. Tob. Plantations	Toronto
June 26	Porto Rico Power	Montreal
June 26	National Grocers	Toronto
June 30	Pacalta Oils	Toronto
June 30	Pacific Petroleums	Vancouver
June 30	Can. Converters	Montreal
July 3	McD.-Segur Expl.	Calgary
July 3	Model Oils Ltd.	Calgary
July 7	Dom. & Anglo Invest.	Toronto
July 17	Yukon Cons. Gold	Toronto

*Adjourned.

Dividends Declared

	This payment	Date payable	Date of record
Amer. Cyan., A, B	†15c	July 1	June 12
Do., pref.	†12½c	July 1	June 12
Agnew-Surpass, p.	$1.75	July 2	June 15
Alta. W. Pres., pf.	$1.75	July 2	June 26
Asbestos Corp.	20c	June 30	June 1
Do. extra	10c	June 30	June 1
Assoc. Brew.	25c	June 30	June 10
Do., pref.	$1.75	July 1	June 10
Algoma Steel, pfd.	$2.50	July 1	June 25
Amal. Electric	25c	July 2	June 15
Acme Glove, pfd.	$3.25	July 2	June 18
Bathurst Power, A	25c	Sept. 1	Aug. 7
Biltmore Hats	15c	July 15	June 30
Bralorne Mines	▪30c	July 15	June 30
Do. extra	▪10c	July 15	June 30
B. C. Elec. Pwr. pf.	$1.50	July 2	June 20
Broulan Porc.	3c	July 31	July 10
Brit. Amer. Oil	25c	July 2	June 11
Beatty Bros., 2nd p.	$3.50	July 2	June 15
B. C. Power, A	50c	July 15	June 30
Bell Telephone	$2	July 15	June 23
Brazilian Tr., pfd.	$1.50	July 2	June 15
Bk. of N. Scotia	$3	July 2	June 15
Brant. Cordage, pf	32½c	July 15	June 20
Brazilian Tr., c.	40c	July 18	May 30
Belding Cort.	$1	July 2	June 15
Do., pref.	$1.75	July 2	June 15
Beath & Son	80c	July 1	June 15
Barber Ellis, pref.	$1.75	July 15	June 30
Blue Top Brew., A	30c	June 30	June 15
Building Prod.	17½c	July 2	June 15
Burlington Steel	15c	July 2	June 15
Brit. Mtge. Tr.	$4	July 2	June 13
Brockville Trust	62½c	July 2	June 20
Can. Tube & Stl. p.	$2	July 15	July 8
Can. South. Rly.	$1.50	Aug. 1	June 30
Canadian Car, pfd.	44c	July 10	June 20
Can. Canners	12½c	July 2	June 15
Do., 1st pref.	25c	July 2	June 15
Do., partic.	5c	July 2	June 15
Do., 2nd pref.	15c	July 2	June 15
Do., partic.	5c	July 2	June 15
Can. Indust. A B	$1.50	July 31	June 30
Do., pref.	$1.75	July 15	June 30
Can. Converters	50c	July 31	June 27
Can. Pac. Rly., pfd.	2%	Aug. 1	June 30
Can. Wire. Box	37½c	July 2	June 18
Do. arrears	12½c	July 2	June 18
Can. Machinery	50c	June 27	June 13
Canada Packers	$1	July 2	June 15
Canadian Oil, pf.	$2	July 2	June 20
Canada Cycle	30c	June 30	June 15
Do., pref.	$1.25	June 30	June 15
Can. Nor. Pwr.	▪15c	July 25	June 20
Do., pref.	▪$1.75	July 15	June 20
Can. Cottons	$1	July 2	June 6
Do., pref.	$1.50	July 2	June 6
Can. Breweries, pf.	85c	July 2	June 15
Can. Celanese	25c	June 30	June 16
Do., extra	25c	June 30	June 16
Do., pref.	$1.75	June 20	June 16
Can. Gen. Elec.	$2	July 1	June 13
Cariboo Gold	4c	July 2	June 5
Can. West'ghouse	▪50c	July 1	June 15
Carnation	†50c	July 1	June 19
Carnation 1st pfd.	†$1.25	July 1	June 19
Cons. Bakeries	15c	July 2	June 15
Can. For. Inv., pref.	$2	July 1	May 15
Can. Silk Prod., A	37½c	June 30	June 15
Canada Bud Br.	▪20c	July 10	July 4
Canada Bread, pfd.	$1.50	July 1	June 15
Do., (B) pref.	62½c	July 1	June 15
Can. Perm. Mtge.	$2	July 2	June 15
Celanese of Am., c.	†50c	June 30	June 16
Do., pr. pref.	†$1.25	July 1	June 16
Do., 7%	†$1.75	July 1	June 16
Do., 2nd pref.	†$1.75	July 1	June 16
Chartered Trust	$1	July 2	June 15
Confederation Life	$1.50	June 30	June 25
Do.	$1.50	Sept. 30	Sept. 25
Do.	$1.50	Dec. 31	Dec. 25
Comm. Alcohols	5c	July 15	June 30
Do., pref.	10c	July 15	June 30
Consumers' Gas	$2	July 2	June 15
Cent. Pat. Mines	4c	June 30	June 15
Cent. Can. Loan	$2	July 2	June 20
Colonial Steam's.	*$2	July 10	June 20
Cons. Smelters	50c	July 15	June 17
Do. extra	75c	July 15	June 17
Can. Amer. Tr. Shs.	.07	June 30	coup. 24
Canada Life	$5	July 2	June 30
Can. Bk. of Comm.	$2	Aug. 1	June 30
Can. Fairbanks, pf.	$1.50	July 15	June 30
Canadian Fire	$2	July 2	June 20
Can. Gen. Invest.	▪12½	July 15	June 30
Can. Indemnity	$3	July 2	June 20
Can. Light & Pwr.	50c	July 15	June 30
Cochenour W.	3c	July 25	July 9
Dominion Tar, p.	$1.37½	Aug. 1	July 31
Dom. & Ang. Inv., c.	$4	July 15	June 30
Dom. Foundries	25c	July 2	June 20
Do., pref.	$1.50	Sept. 1	Aug. 20
Dom. Glass	▪$1.25	July 2	June 15
Do., pref.	▪$1.75	July 2	June 15
David & Frere, A	25c	June 30	June 15
Dom. Textile	$1.25	July 2	June 5
Do., pref.	$1.75	July 15	June 16
Dunlop Tire, pfd.	62½c	June 30	June 15
Dome Mines	▪40c	July 20	June 30
Distillers Seag., p.	†$1.25	Aug. 1	July 15
Dominion Bank	$2.50	Aug. 1	July 15
Eastern Trust	$2	July 2	June 20
Easy Washing pfd.	17½c	July 2	June 20
Famous Players	25c	June 27	June 13
Fernie Brew.	60c	July 2	June 15
Do., extra	40c	July 2	June 15
Fanny Farmer	†37½c	July 1	June 15
Foundation Co.	35c	July 18	June 30
Goodyear Tire	▪63c	July 2	June 15
Do., pref.	62½c	July 2	June 15
Gould Pumps, pfd.	†$1	July 2	June 22
Grandview Mines	1c	Aug. 1	July 1
Gt. Lakes Pap. pf., A, B	25c	July 2	June 22
Gt. Lakes Power p.	$1.75	July 15	June 30
Gt. W. Saddlery, pf.	75c	July 3	June 26
Do., 2nd pref.	75c	July 3	June 26
Gatineau Pwr.	15c	June 30	June 1
Do., 5% pref.	$1.25	July 1	June 1
Do., 5½% pref.	$1.38	July 1	June 1
Greening Wire	15c	July 2	June 15
Great-West Life	$3.75	July 2	June 20
Gen. St. Wares, c.	30c	July 2	June 19
Guaranty Trust	$1.25	July 15	June 30
Guelph & O. Inv.	$1.50	July 2	June 20
Guelph Trust	$1.25	July 2	June 20
Goderich Elev.	25c	July 2	June 15
Highland-Bell	2c	June 15	May 31
Ham. Un. Theat. p	$1.25	June 30	June 15
Halifax Fire	50c	July 2	June 10
Hamilton Cotton, c.	*10c	July 2	June 15
Do., pref.	50c	July 2	June 15
Harding Carpets	10c	July 2	June 15
Do., extra	5c	July 2	June 15
Hinde & Dauch	25c	July 2	June 15
Honey Dew	50c	July 2	June 15
H. Smith Paper, p.	$1.50	July 15	June 30
Howe Sound	†75c	June 30	June 20
Hudson's Bay p.	2½%	July 1	June 13
Hudson Bay M.	$1	June 29	June 12
Howey Gold	2c	June 29	May 26
Huron & E. Mtge.	1%	July 2	June 15
Inter. Nickel, c.	†50c	June 30	June 1
Inter. Power, pfd.	$1.75	July 2	June 15
Inter. Nickel, pfd.	†$1.75	Aug. 1	July 2
Inter. Paper, pref.	†$1.25	June 29	June 19
Imperial Tob., ord.	10c	June 30	June 12
Indust. Mtge.	$1	July 2	June 15
Invest. Found. pfd.	75c	July 15	June 30
Inter. Metal p & A p	$1.50	Aug. 1	July 15
Inter. Bronze	▪37½c	July 15	July 5
Do., pref.	▪37½c	July 15	July 5
Inter. Milling. p.	†$1.25	July 15	July 3
Imperial Bank	$2.50	Aug. 1	June 30
Intercol. Coal	$2	July 2	June 20
Do. pref.	$4	July 2	June 20
Jam. Pub. Service	17c	July 2	June 22
Do. pref.	$1.75	July 2	June 22
Kerr Addison	7c	June 29	June 10
Landed Bkg.	$1	July 2	June 15
Lang, J. A.	17½c	July 2	June 15
Langley's, pfd.	▪50c	Sept. 11	Sept. 2
Do	▪50c	Dec. 11	Dec. 2
Levy Bros.	10c	July 1	June 15
Lambton Loan	$1	July 2	June 15
Moneta Porc.	2c	July 15	June 30
Marcus Loew's, pf.	$1.75	June 30	June 15
Midland Loan	40c	July 2	June 15
Mitchell, Robt.	$1	June 30	June 15
Mtl. C. & D. Bank	$3	July 2	June 15
Do., extra	$1	July 2	June 15
Moore Corp.	55½c	July 2	June 5
Do., pref., A, B	†$1.75	July 2	June 5
Murphy Paint	20c	July 1	June 20
Do., pref.	$1.37½	July 1	June 20
Mtl. L. H. & Pr.	38c	July 31	June 30
Mod. Containers	20c	July 2	June 20
Do., extra	10c	July 2	June 20
Do., pref.	$1.37½	July 2	June 20
McColl-Front., pfd.	$1.50	July 15	June 30
National Trust	$2	July 2	June 20
Nat. Biscuit, c.	†30c	July 15	June 12
Niag. W. Weav.	50c	June 30	June 18
Nat. Breweries	50c	July 2	June 12
Do., pref.	44c	July 2	June 12
North Star Oil, p.	8¾c	July 2	June 15
Nat. Grocers, c.	▪40c	July 20	July 6
Nat. Grocers, pfd.	38c	July 1	June 15
Nat. Steel Car	50c	July 15	June 30
N. S. Lt. & Pwr., c.	$1.50	July 2	June 15
New Eng. Pwr., pf.	†$1	July 1	June 20
Do., 2nd pref.	†33⅓c	July 1	June 20
Nor. Ont. Pwr.	12c	July 25	June 30
Do., pref.	$1.50	July 25	June 30
Ogilvie Flour, c.	25c	July 2	June 17
Ottawa L. & Pr.	15c	July 1	May 18
Do., pref.	$1.25	July 1	May 18
Ottawa Elec. Rly.	50c	July 2	June 10
Ont. Loan & Deb.	$1.25	July 2	June 15
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 21
Para. Pictures	†25c	July 1	June 17
Do., 1st pref.	†$1.50	July 1	June 17
Porto Rico Pwr., p.	$1.75	July 2	June 15
Power Corp., c.	▪15c	June 30	June 10
Do., 1st pref.	$1.50	July 15	June 20
Do., 2nd pref.	▪75c	July 15	June 20
Preston E. Dome	5	July 15	June 30
Pioneer Gold	8c	July 2	May 30
Page Hersey	$1.25	July 1	June 15
Price Bros., pfd.	$1.37½	July 1	June 20
Premier Gold	2c	July 15	June 15
Proprietary Mines	7c	June 30	June 16
People's Cr. Sec.	*25c	July 15	June 30

Wheat Crop Outlook Good

Cool Damp June Gives Cause for Optimism

From Our Own Correspondent

WINNIPEG.—At the moment prospects of the western wheat crop can be described as remarkably good. If every farmer gets what he now thinks is reasonably possible, there will be a very big average yield. That all present hopes will not be realized may be taken for granted on the basis of past experience, but where the disappointments will occur, and to what extent, cannot be guessed.

The West has been getting a cool, wet June, something that used to be considered the necessary foundation of a good crop. People in other parts of Canada are often puzzled at the apparent contradiction between the emphasis placed on June rains, and that placed on sub-soil moisture from the previous year. The fact is that June rains, if sufficiently plentiful, can overcome previous moisture deficiencies. But if such rains are scanty, or with long intervals between, adequate sub-soil moisture will carry the crop through a dry spell.

The cool weather that has accompanied this year's rains is considered very useful for the wheat crop. It tends to develop a root system proportionately greater than the top structure of the plant, something which in days to come enables the plant to draw moisture from the depths. On the other hand, too much heat in June tends to promote an overgrown top structure, without enough root to support it later on.

Crop Is Late

Some farmers are expressing worry over the fact that their crop is late in comparison with those of recent years. Whether that will turn out to be important will of course depend upon the weather yet to be experienced.

Grasshoppers are reported in considerable numbers in some areas, and there is probably a sufficient degree of infestation for them to do a good deal of damage. That also is a matter largely dependent upon subsequent weather. Saw-fly damage is a possibility over a considerable area in southern Alberta and southwestern Saskatchewan.

It is traditional in the West that conditions usually look good at the end of June, and that the serious set-backs to the crop usually begin to develop in the early part of July.

Frost Hurts Oats

Conditions favorable for wheat are not always best for other crops. Some damage to oats has occurred from frosts which would do no harm to wheat. Some acreage seeded to flax was also lost on account of frost, and in certain places weeds appear to have been getting ahead of the flax. The condition of the barley crop, most of it seeded fairly late, is considered satisfactory. Grass production has been plentiful throughout the West. Some low land has been too wet this year to produce a satisfactory hay crop. That is more than offset by better than average hay crops on higher lands.

Mining Dividends

	Rate	June 22	%
Argus Interests	†4c	2.05	..
Anglo-Huronian	10c	2.00	..
Aunor Gold	16c	1.05	15.2
Bayonne	†1c	.03½	..
Beattie Gold	7c	.73	..
Berens River	6c	.65	..
Bralorne	80c+40c	7.25	*16.5
Broulan Porc.	12c	.43	..
Buffalo Ankerite	▴30c	1.65	..
Bulolo Gold	$3	8.25	..
Can. Malartic	8c	.40	..
Cariboo Gold	16c+1c	1.15	*14.8
Central Patricia	16c+2c	.95	*18.9
Chesterville	▴15c	.73	..
Cochenour Willans	6c	.62	9.7
Coniagas	10c	.80	..
Coniaurum	‡7c	.75	..
Cons. Smelters	$1+$1.50	37.25	*6.7
Delnite	6c	.55	..
Dome Mines	$1.60	14.00	11.4
East Malartic	‡5c	1.37	..
Francoeur Gold	▴4c	.21	..
Goldale Mines	2c	.09⅞	..
Gold Belt	2c	.14	..
Grandview	2c	.13	..
Grull Wihksne	†.00½c	.01½	..
Hallnor	40c	2.20	18.1
Hard Rock	3c	.41	..
Hedley Mascot	8c	.25	..
Hollinger	65c	8.30	7.8
Howey Gold	2c	.16	..
Hudson Bay	$2	23.00	8.7
Inspiration	▴2c	.26½	..
Inter. Nickel, com.	$2	30.50	6.5
Island Mountain	8c	1.00	..
Jason	▴4c	.15⅛	..
Kerr-Addison	‡17c	3.85	..
Kerr Lake	▴5c	.50	..
Kirkland Lake	8c	.50	..
Lamaque Gold	40c+15c	3.50	*15.7
Lake Shore	80c	8.75	9.2
Leitch	8c	.51½	..
Little Long Lac	▴20c	1.00	..
Macassa	32c+3c	2.25	*15.5
Madsen R. Lake	3c	.41	..
Malartic Gold	▴10c	1.49	..
McGillivray Coal	▴2c	.18¼	..
McKenzie Red L.	12c	.57	21
Moneta	8c	.25	..
McIntyre-Porc.	$2.22+$1.11	39.50	*8.4
MacLeod-Cockshutt	10c	1.35	..
Negus	2½c	.38	..
Nipissing	15c	.85	..
Noranda	$4	43.75	9.2
North Empire	‡10c	3.75	..
O'Brien Gold	3c	.60	..
Pamour Porc.	▴12c	.50	..
Pato Cons.	‡25c	2.00	..
Pend Oreille	▴6c	1.20	..
Perron Gold	16c+1c	1.01	*16.8
Pioneer, B. C.	32c	1.36	..
Pickle Crow	30c	1.70	17.6
Placer Develop.	25c	5.00	..
Premier	8c	.48	16.7
Preston E. Dome	20c	1.83	10.9
Privateer Mines	12c+1c	.30	..
Quebec Gold	▴2c	.20	..
Reno Gold	▴20c	.04	..
San Antonio	14c+6c	1.55	*12.9
Sheep Creek	16c+4c	.72	*27.7
Sherritt Gordon	10c	.70	..
Sigma Mines	60c	5.20	..
Silbak Premier	16c	.50	..
Siscoe	‡3½c	.40	..
Sturgeon River	2c	.12	..
Sudbury Basin	2½c	1.50	..
Sullivan Cons.	‡6c	.59	..
Surf Inlet	▴2c	.10	..
Sylvanite Gold	20c	1.46	13.7
Teck-Hughes	40c	1.66	24.1
Toburn	12c+4c	.80	*20
Upper Canada	‡5½	.84	..
Ventures	‡15c	4.15	..
Waite Amulet	40c	4.25	..
Wendigo	3c	.14¼	..
Wright Harg.	40c	2.17	18.4
Ymir Yankee	▴2c	.03½	..

▴Paid in 1941. *Yield including bonus. †Initial. ‡Paid in 1942 to date.

Weekly Bank Clearings

	June 18 1942 $	Change Year Ago %	June 11 1942 $
Halifax	4,390,610	+28.2	3,794,194
Saint John	2,836,616	+8.9	2,702,755
Moncton	1,141,421	+0.3	856,644
Sherbrooke	1,190,592	+5.2	843,592
Quebec	6,097,427	−5.0	4,776,808
Montreal	140,928,227	+4.3	98,917,383
Ottawa	40,014,586	−52.4	52,395,705
Kingston	832,966	+5.0	728,890
Peterborough	999,380	+31.1	754,799
Toronto	169,780,979	+4.1	108,049,153
Hamilton	7,769,625	+2.6	6,267,200
St. Catharines	1,437,071	+5.3	1,298,172
Kitchener	1,342,095	−3.6	1,154,992
Brantford	1,254,420	+6.5	971,820
London	3,702,055	−23.7	2,397,448
Chatham	684,696	−2.8	570,780
Windsor	4,772,189	+4.8	3,409,832
Sarnia	557,584	−4.8	476,905
Sudbury	1,025,611	+5.9	1,025,556
Fort William	1,312,013	−0.2	896,101
Winnipeg	66,895,231	+17.1	37,775,727
Brandon	522,734	+12.0	430,323
Regina	4,903,281	−36.2	4,339,725
Moose Jaw	684,845	−17.2	646,165
Saskatoon	1,771,347	+3.9	1,506,359
Prince Albert	503,241	+11.9	480,151
Edmonton	6,113,883	+13.2	5,390,696
Calgary	6,715,032	−22.4	5,494,835
Lethbridge	601,090	+7.2	574,685
Medicine Hat	308,387	−12.2	275,635
N. W'minster	805,665	+17.4	877,257
Vancouver	23,892,166	+19.8	19,212,866
Victoria	2,000,119	−0.1	1,872,581

Dividends Declared (Cont'd)

Premier Trust	$1	June 30	June 19
Prov. Paper, pfd.	$1.75	July 2	June 15
Quebec Power	25c	Aug. 25	July 22
Real Estate Loan	$1	July 2	June 17
R. S. Mills, A	50c	July 2	June 15
Remington Rand	†20c	July 1	June 10
Do., pref.	†$1.12½	July 1	June 10
Russell Ind.	20c	June 30	June 15
Do., pref.	$1.75	June 30	June 15
Regent Knit., c.	25c	Sept. 15	Aug. 31
Regent Knitting pfd	‡40c	Sept. 1	Aug. 15
Shawinigan W. Pr.	23c	Aug. 25	July 24
Sigma Mines	▪30c	July 25	June 30
Silbak Premier	4c	July 25	July 6
Simon & Sons	15c	June 27	June 13
Do., pref.	$1.75	June 27	June 13
Sangamo	25c	June 27	June 24
Sheep Creek	4+1c	July 15	June 30
Simpsons, pref.	$1.62½	Aug. 1	July 16
Supertest P., ord. c.	50c	July 2	June 12
Do., B pref.	75c	July 2	June 12
South. Can. Pr., p.	$1.50	July 15	June 20
Do., com.	20c	Aug. 15	July 20
Stand. Fuel, pfd.	$1	July 1	June 15
Securities Hold., p.	75c	June 30	June 16
Sher.-Williams, ord.	15c	Aug. 1	July 15
Supersilk H., pref.	$2.50	July 2	June 12
Sher.-Williams, pf.	$1.75	July 2	June 15
Sylvanite Gold	5c	June 30	May 9
Sterling Trusts	$1.50	July 2	June 20
Stedman Bros.	15c	July 1	June 20
Do., pref.	75c	July 1	June 20
Sullivan Cons.	3c	July 15	June 15
Stand. Chem.	75c	July 30	June 30
Sun Life Assur.	$3.25	July 1	June 15
Stand. Radio A B	10c	July 10	June 30
St. Law. Corp., pf.	25c	July 15	June 30
St. Law. Paper, pfd.	75c	July 15	June 30
Tuckett Tob., p.	$1.75	July 15	June 30
Tamblyn, G.	20c	July 2	June 12
Do., pref.	62½c	July 2	June 12
Tor. Gen. Trusts	$1	July 2	June 13
Toronto Mortgage	$1.25	July 1	June 15
Tip Top Tailors	15c	July 1	June 20
Do., pref.	$1.75	July 1	June 20
Un. Fuel Inv., A pf.	75c	July 2	June 24
Viau, pref.	$1.25	July 2	June 20
Ventures	▪5c	June 30	June 16
West Koot. Pr., pf.	$1.75	July 2	June 19
Wabasso Cotton	$1	July 2	June 20
Weston, Geo., c.	20c	July 1	June 12
Weston, Geo., pfd.	$1.25	Aug. 1	July 15
West. Grocers	75c	July 15	June 20
Do., pref.	$1.75	July 15	June 20
Wilsil	25c	July 1	June 15
Wr. Hargreaves	10c	July 2	May 26

†Payable in U. S. funds.
▪Subject to approval of Foreign Exchange Control Board.
‡Also 40c payable Dec. 1.
*Initial.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Inter-C. Bak.	†5½%	1948	July 1	101½
Star St. Ldry.	6½%	1943	July 15	101
Paton Mfg.	‡4½%	1956	Sept. 1	103
Ham. By-Prod.	*5%	1955	June 29	102.808

†$97,000. ‡$12,500 *$62,000.

Grain Transport Tight As Ships Move Ore

From Our Own Correspondent

WINNIPEG.—The railways have found it necessary to restrict loading of grain cars destined to the head of the lakes because elevator companies, anxious to get country space cleared out in readiness for the new crop, have been sending wheat forward to the head of the lakes more rapidly than it could be shipped out in the available lake tonnage.

Scarcity of tonnage to carry grain is due to the preoccupation of the lake fleet, under both Canadian and American government control, with the movement of ore. No doubt more vessel space will be assigned to grain when that becomes necessary to supply the requirements for overseas shipping. Just now, however, there is plenty of grain in eastern positions.

Lake head terminals and annexes are now occupied to capacity.

Country Elevators

Meanwhile, a large amount of empty space has been established at country elevators more than the capacity of temporary annexes which were built last season adjacent to such elevators. That has enabled a great deal of grain in such annexes to be moved and re-elevated, but in many cases it has been put back into the annexes to keep the elevators clear for the new crop.

It seems clear that the new crop will be handled at a comparatively slow rate. Deliveries from farms will have to be at a much slower rate than farmers will desire, if a good crop is taken off, and will have to be rationed by quotas, as has been the case for some months during each of the two past crop years.

Quotas for coarse grains are also anticipated, but farmers growing flax have been promised that space will be made for this as rapidly as they are able to deliver it. This was one of the inducements offered to increase flax acreage.

Feed Grain Channels

Channels will likely be kept open for the movement of feed grains as rapidly as the market can absorb them.

It may thus be necessary to keep wheat quota deliveries small at first, with some temporary inconvenience to farmers who have wheat to market, but neither oats or barley. However, there is no danger of losing any market for wheat if early movement is slowed down. If feed grains, on the other hand, are not supplied when farmers in eastern Canada or in the United States are prepared to take them, there is danger of loss of this market.

There is general satisfaction with the government announcement that free freight movement of feed grains will be continued from the head of the lakes to eastern Canada, and from Calgary and Edmonton to the Pacific coast. Had that concession, first made for the current crop years, been shut off at the end of June, as at one time suggested, there might have been an interruption in the flow of such grains until conditions for the new crop year were determined.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.55	$12.40	$8.84
Hogs	15.36	15.48	13.71
Copper, lb.	*.12	.12	.12
Cotton, lb.	.1970	.1947	.1503
Sugar, raw, lb.	*.0374	.0374	.0353
Wheat, Man. (bu.)	.80¼	.80	.77¼
Coffee, lb.	*.09⅜	.09⅜	.08¼
Hides	*.15½	.15½	.15
Weekly Indices			
U. S. Labor	98.4	98.7	86.7
Wood, Gundy	76.7	76.8	73.0
Dow Jones (fut.)	85.17	84.75	71.78
Fishers	106.5	108.7	94.3
Monthly Indices			
Canada (D.B.S.):			
Retail (May)†	118.1	115.9	109.4
W'sale (May)	95.2	95.0	88.8
U. S. (Apr.)	98.8	97.6	83.2
Gt. Brit. (Mar.)	158.8	158.5	150.9

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic. New York, No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

Subsidy Claims Total 12,827

Up to the close of business on June 8 this year, 12,827 applications for payment of a subsidy under the price ceiling regulations had been made, involving claims of $7.2 millions. Of these claims 10,088 had been examined and paid and 160 had been disallowed. Details of the figures given by Finance Minister Ilsley are:

Subsidy Claims Filed to June 8

	No.	Amount $
Domestic	10,038	4,674,475
Imports	2,789	2,524,350
Total	12,827	7,198,825

	Claims paid No.	Allowed in full No.	Reduced No.	Disallowed No.
Domestic	8,733	8,477	255	1
Imports	1,355	639	537	159
Totals	10,088	9,116	812	160

Conserve Materials Institute Urges

Don't decide in too much of a hurry that you need new heating equipment. That's the advice of the Canadian Institute of Plumbing and Heating, which is putting out a series of bulletins designed to help conserve materials for the war effort.

"It may be a long time since your present heating system was installed," says the institute. "If so, chances are that more modern technique could improve the layout to enable you to get more out of your existing plant instead of replacing it. It may only mean changing the distribution of pipes, or cleaning out rust, or perhaps only insulating pipes and boilers.

"Of course, you may really need new equipment, or, at least, a very complete repair job. But don't decide in too much of a hurry. Get your heating contractor in to look over your present equipment first."

Wheat Delivery Shows Increase

Deliveries of old crop wheat by farmers have increased since completion of seeding, and are now nearly half a million bushels per day. With 190 million bushels of 1941 wheat already delivered, it is quite possible that total deliveries for the crop year will pass 200 million bushels, although there are few who expect them much to exceed that figure.

Farmers have received warnings from the Wheat Board that old crop wheat carried forward into the new crop year will be undeliverable to the Wheat Board, and unsaleable on the open market. It cannot be delivered to elevators under the quota system to be applied. In consequence, farm bins are likely to be swept pretty well clear of wheat, more especially if new crop prospects continue sufficiently good so farmers are not influenced to carry old crop wheat forward for seed or feed.

Offer to Buy Inglis Stock

Shareholders of John Inglis Co. are in receipt of an offer to purchase 10% of their holdings at $10 a share. The offer is good until July 31. In cases where fractional shares would occur as a result of the offer to buy 10% of any shareholder's holdings, the offer is good for the additional share necessary to eliminate fractions.

James E. Hahn, president, informs shareholders of this offer which arose as a result of arrangements made with Worthington Pump & Machinery Co., Harrison, N.J., whereby John Inglis gets exclusive rights in Canada to the lines of manufacture controlled by the Canadian subsidiary of Worthington and of Worthington's associated companies.

As a condition of the agreement, John Inglis had to make available to Worthington's Canadian subsidiary a 10% interest in the John Inglis capital stock. The whole of the John Inglis authorized capital stock of 250,000 shares at $6 par each has been issued. To avoid dilution of existing capital, a group of Inglis shareholders agreed to sell to Worthington's Canadian subsidiary the required 25,000 shares at $10 a share. This group is now extending to other Inglis shareholders an opportunity to sell 10% of their holdings at the $10 a share price. The offer is made to shareholders of record June 22.

The Worthington company makes an extensive line of industrial machinery, including pumps, compressors, Diesel engines, air conditioning equipment, turbines, marine engines and condensers.

Wheat Prices

Winnipeg Grain Futures

Week to June 22, 1942

Crop year from Aug. 1, 1941 High	Low		High for week	Low for week	Close June 22
		Wheat			
.82⅛	.77½	July	.80⅜	.80⅜	.80⅜
		Oats			
.51¾	.42⅛	July	.51½	.51½	.51½
.50½	.46	Oct.	.50½	.49¾	.49⅞
.48	.47⅛	Dec.	.48	.47⅞	.48
		Barley			
.64¾	.55⅛	July	.64¾	.64¾	.64¾
.63⅞	.57	Oct.	.63⅜	.63⅛	.63¼
		Rye			
.68⅝	.54⅞	July	.57⅛	.56⅜	.56⅜
.66⅝	.56¼	Oct.	.58¾	.57⅝	.58

Cash Quotations

	For Week June 22 High	Low	Prev. Week High	Low
Wheat:				
1 Hard	.80¼	.80	.80	.79⅞
1 Nor.	.80¼	.80	.80	.79⅞
2 Nor.	.77⅛	.76⅞	.76⅞	.76¾
3 Nor.	.73⅝	.73½	.73⅝	.73½
4 Nor.	.71¾	.71¾	.71¾	.71¾
5 Wheat	.69⅞	.69⅞	.69⅞	.69⅞
6 Wheat	.67⅞	.67⅞	.67⅞	.67⅝
Feed	.65⅝	.65⅜	.65⅜	.65⅜
Oats:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W.	.56¾	.56⅛	.55⅞	.55⅞

Since 1857

James Richardson & Sons

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Grain Merchants

Shippers and Exporters

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Branches Throughout Canada

RELIANCE

GRAIN COMPANY LIMITED

Owners and Operators Country Elevators and Terminals

Exporters and Shippers

SMITH, MURPHY CO. INC.

510 PRODUCE EXCHANGE, NEW YORK

Head Office: 919 Grain Exchange, Winnipeg

Branch Offices: Toronto and Vancouver

THE ALBERTA PACIFIC GRAIN COMPANY

LIMITED

(Licensed and Bonded with the Board of Grain Commissioners)

OPERATING

464 Country Elevators

73 Flour Warehouses

227 Coal Sheds

Terminal Elevators at Vancouver and Port Arthur

(Capacity—9,661,500 Bushels)

Offices: Calgary and Winnipeg

NORRIS GRAIN COMPANY

LIMITED

C. C. FIELDS, Pres. GEO. S. MATHIESON, Vice-pres.

C. E. BABBITT, Sec'y.

Grain Merchants, Shippers and Exporters

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RECLEANED WESTERN

OATS

AND OTHER GRAINS

BULK or SACKED

All Grain Selected from Our Elevators in the Finest Growing Districts of Western Canada

Prompt Shipment From Fort William

For Quotations Write or Wire

NATIONAL GRAIN Co LTD.

WINNIPEG

DIVIDEND NOTICES

WESTERN GRAIN COMPANY LIMITED

NOTICE IS HEREBY GIVEN that Coupon No. 19, being half-yearly interest due on July 2nd, 1938, on the Company's first mortgage bonds, will be paid on presentation to the Company's paying agencies on July 2nd, 1942.

Residents of Canada will be paid in Canadian funds. Current premium will be paid if requested. Payment in United States funds will be made only when the coupon is accompanied by Ownership Certificate showing that owner is a bona fide resident of the United States or the Sterling area.

By Order of the Board,
J. B. RENDALL,
Secretary.

June 17, 1942.

The Great West Saddlery Company Limited

WINNIPEG, CANADA

To the Holders of The Twenty Year First Mortgage Sinking Fund 6% Gold Bonds of The Great West Saddlery Company Limited due March 1st, 1948.

NOTICE IS HEREBY GIVEN that pursuant to the terms of the said Bonds and of the Deed of Trust and Mortgage dated as of the 1st March, 1928, made between The Great West Saddlery Company Limited (hereinafter called the Company) of the first part, and The Toronto General Trusts Corporation, Trustee, of the second part, the Company intends to redeem, and hereby calls for redemption, on September 1st, 1942, all its outstanding Twenty Year First Mortgage Sinking Fund 6% Gold Bonds, by payment of the principal sum of each such bond with a premium of five per centum of such sum and interest on the principal amount thereof accrued to September 1st, 1942, upon presentation, delivery up and surrender of each such bond for cancellation accompanied by all interest coupons belonging thereto which mature on and after the said September 1st, 1942, and together with all unpaid interest coupons, if any belonging thereto which matured on or prior to the 1st day of March, 1942.

Payment of the redemption price will be made at any office in Canada of The Canadian Bank of Commerce.

AND NOTICE IS FURTHER GIVEN that all interest shall cease to accrue as from September 1st, 1942, on all bonds, hereby called for redemption, which are not presented for redemption as aforesaid and delivered up and surrendered on September 1st, 1942, and on all such bonds in respect of which the holder thereof shall neglect or refuse to accept payment of such redemption moneys.

DATED Winnipeg, June 19th, 1942.

THE GREAT WEST SADDLERY COMPANY LIMITED.

J. C. BROADFOOT,
Secretary.

DIVIDEND NOTICES

NOTICE TO BONDHOLDERS

GENOSHA HOTEL COMPANY LIMITED

(United Bond Company Limited Issue No. W-72)

In the Supreme Court of Ontario

BETWEEN: THE LONDON AND WESTERN TRUSTS COMPANY LIMITED and WILLIAM D. GLENDINNING, Trustees under an Indenture dated 5th July, 1928, made between Genosha Hotel Company, Limited, and said The London and Western Trusts Company, Limited, and Howard C. Wade, Plaintiffs, and GENOSHA HOTEL COMPANY, LIMITED, Defendant.

TAKE NOTICE that by direction of the Supreme Court of Ontario the undersigned will on and after the 6th day of July, 1942, distribute out of the monies realized by the sale of the mortgaged property of the Defendant and all monies in the hands of the Plaintiffs as Trustees as aforesaid, a first and final dividend of 6.4% on the First Mortgage Gold Bonds issued by the Defendant on the security of the said Indenture. Payment will be made in Canadian funds upon the surrender of the bonds and interest coupons to any branch office of The London and Western Trusts Company, Limited.

Every holder of any of the said bonds or interest coupons who has not received from the undersigned the circular letter of 25th June, 1942, in which particulars of the distribution are given, should obtain a copy thereof from the undersigned.

Dated at Toronto this 25th day of June, 1942.

THE LONDON AND WESTERN TRUSTS COMPANY LIMITED

200 Bay Street Toronto

DIVIDEND

Chartered Trust and Executor Company

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending June 30th, payable July 2nd, 1942, to shareholders of record at the close of business June 15th, 1942.

By Order of the Board.
E. W. McNEILL,
Secretary.

Dated at Toronto,
May 21st, 1942.

DIVIDEND NOTICES

The Dominion Bank

Dividend No. 239

Notice is hereby given that a dividend of two and one-half per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st July, 1942. The dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of August, 1942, to shareholders of record of the 15th July, 1942.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 11th June, 1942.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable July 2nd, 1942, to Shareholders of record as at close of business June 15th, 1942, in Canadian funds.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ontario.

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st July, 1942,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,
WALTER GILLESPIE,
Manager.

4th June, 1942.

Quebec Power Company

NOTICE is hereby given that a dividend of twenty-five (25c) cents per share has been declared on the no par value common shares of the Company for the quarter ending June 30, payable August 25, to shareholders of record July 22, 1942.

By order of the Board,
H. G. BUDDEN,
Secretary.

Montreal, June 22, 1942.

DIVIDEND NOTICES

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1942.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 21st day of July, 1942.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 5th day of August, 1942.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal,
June 22, 1942.

St. Lawrence Corporation Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of twenty-five cents (25c) per share has been declared on the issued and outstanding shares of Class A 4% Cumulative Convertible Preferred Stock of the Company payable 15th July, 1942, to Shareholders of record at the close of business on the 30th June, 1942.

By Order of the Board.
L. A. TUCKER,
Secretary.

820 Sun Life Building,
Montreal, Que.
June 18th, 1942.

St. Lawrence Paper Mills Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of seventy-five cents (75c) per share has been declared on the issued and outstanding shares of Preferred Stock of the Company payable 15th July, 1942, to Shareholders of Record at the close of business on the 30th June, 1942.

By Order of the Board of Directors.
L. A. TUCKER,
Secretary.

Montreal, Que.
June 18th, 1942.

DIVIDEND NOTICES

Dominion and Anglo Investment Corporation Limited

Common Dividend

A dividend of $4.00 per share has been declared on the outstanding common stock of Dominion and Anglo Investment Corporation Limited payable July 15th, 1942, to shareholders of record June 30th, 1942.

By Order of the Board,
H. R. JACKMAN,
Manager.

Toronto,
June 15, 1942.

The Canadian Bank of Commerce

Dividend No. 222

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st July, 1942, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st August next, to shareholders of record at the close of business on the 30th June, 1942. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager.

Toronto, 19th June, 1942.

The McDougall-Segur Exploration Company of Canada Limited

NOTICE OF THE ANNUAL MEETING

To The Shareholders:—

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of the above Company will be held on Friday, the 3rd day of July, 1942, in the office of the Company, 3 Wells Building, 405-8th Avenue West, Calgary, Alberta, at the hour of 10 a.m., for the purpose of receiving and considering the Report of the Directors, the Annual Statement of Accounts, Balance Sheet, and the Report of the Company's Auditors; for the election of Directors, the appointment of an Auditor, and for the transaction of such other business as may be properly brought before the meeting.

PLEASE TAKE NOTICE that the Transfer Books and Register of Shareholders will be closed from the 26th day of June, 1942, to the 6th day of July, 1942.

DATED at Calgary, Alberta, this 10th day of June, 1942.

By Order of the Board.
A. G. GRAVES,
Secretary.

DIVIDEND NOTICES

NOTICE

BILTMORE HATS LIMITED

Notice is hereby given that a dividend of Fifteen cents per share on the outstanding Common Shares of the Company will be payable on the 15th day of July, 1942, to shareholders of record the 30th day of June, 1942, at 3 p.m.

By Order of the Board.
(Signed) WM. F. FRANKE,
Secretary-Treasurer.

Guelph, Ontario.
June 12th, 1942.

The Shawinigan Water and Power Company

NOTICE is hereby given that a dividend of twenty-three (23c) cents per share has been declared on the no par value common shares of the Company for the quarter ending June 30, payable August 25, to shareholders of record July 24, 1942.

By Order of the Board,
H. G. BUDDEN,
Secretary and Assistant Treasurer.

Montreal, June 17, 1942.

Bathurst Power and Paper Co. Ltd.

Notice of Dividend on Class "A" Shares

The Board of Directors has today declared a quarterly dividend of Twenty-five cents (25c) per share on the outstanding Class "A" Shares of this Company, payable on the 1st day of September, 1942, to shareholders of record at the close of business on the 7th day of August, 1942.

H. J. WEBB,
Vice-President & Treasurer.

June 22nd, 1942.

The Canadian Light and Power Company

NOTICE is hereby given that a dividend of one-half of one per cent (½ of 1%) has been declared on the outstanding shares of the Company for the half year ending June 30, 1942, payable July 15, to shareholders of record June 30, 1942.

By order of the Board,
H. G. BUDDEN,
Secretary.

Montreal, June 22, 1942.

Canada's War Metals and Where They Go

These Are The "Heavy Artillery" . . . .

Copper

Used In:
Brass for shells, machines, radio devices, trucks, dynamos. Supplies "rationed" by priorities and allocations to meet an overwhelming demand.

Production:
14.8% of United Nations' supplies estimated turned out in Dominion. United Nations' total supplies far in excess of production by Axis or Axis-controlled countries.

Canada:
Planning special deals to gear output still higher. Bonus prices for extra production—similar to those in U. S.—a real possibility.
May turn to marginal properties for needed supplies.

Lead

Used In:
Batteries for subs, trucks, etc., ammunition, cable covering, tin substitutes—Demand greater than supply but situation not as "tight" as for copper. Widely used as substitute metal now.

Production:
16.0% of United Nations' supplies estimated turned out in Dominion. Over half world's output comes from Americas and Australia. Japs got some in Burma.

Canada:
Endeavoring to turn out every pound possible but not worrying as much over this metal as is case with copper and zinc. Revival in Slocan may mean new producers.

Zinc

Used In:
Brass for shells chiefly now; use in galvanizing, rolled zinc and die castings largely restricted due to tremendous demand. Possibly the "tightest" of all common non-ferrous metals.

Production:
18.2% of United Nations' supplies estimated turned out in Dominion. One of few metals of which Axis may be turning out as much as we are but our output probably growing faster.

Canada:
Expected to expand output still further in coming months. At least three new producers — Golden Manitou, Calumet and Siscoe's Tetreault mine — to swell big flow coming chiefly from Consolidated Smelters and Hudson Bay now.

Nickel

Used In:
Armor plate and military equipment where special hardness or strength required. Widely used in alloying. Practically all available supplies going into either direct or indirect war work.

Production:
90.0% of United Nations' supplies estimated turned out in Dominion. United Nations have around twenty times as much available as the Axis nations. U. S. now opening up low grade Cuban nickel properties.

Canada:
Both International Nickel and Falconbridge expanding facilities to augment output. Inco to spend total of $35 millions to give 50 million pound increase in annual production.

Aluminum

Used In:
Most airplanes, bombers and fighters. By weight, aluminum in planes comprises: 69% of airframe, 23% of engine, 24% of propeller. Used in chemicals, incend[illegible] bombs. 98% of available sup[illegible] for war.

Production:
33.2% of United Nations' supplies estimated output being turned out by Canada. United Nations passing the Axis in output of this metal following initial disadvantage.

Canada:
Expanding output tremendously with this expansion making huge demands on available power supplies. Part of Canada's contribution under Hyde Park agreement with United States.

. . . . But Here Are Others Also Vital For Victory

Magnesium

Used In:
Parts of airplanes and incendiary bombs. Use in incendiaries expected to exceed that in planes. Lighter than aluminum magnesium gives excellent strength-weight ratio alloys.

Production:
Dominion's output negligible at present but scheduled to jump next month. United Nations' output will leave Axis far behind within next year.

Canada:
To turn out 10 tons of metal a day from Dominion Magnesium's plant near Renfrew, starting next month. Canadian output to be about 1% of United Nations' total; Consolidated Smelters may add to this figure.

Tungsten

Used In:
Machine tools, for hardening tips of shells, etc. Stockpiled before the war, regular tungsten supplies from China cut off with Japan taking over Burma road. Substitutes such as "Moly" being used.

Production:
Dominion turning out considerable quantities with two tungsten mines — Smelters' Red Rose and Guysborough's Indian Path—now in production. Ottawa Bureau of Mines has custom plant and second being installed at Quebec's Gale mine. Subsidiary output of gold mines being treated. Hollinger installing own 120-ton mill.

Canada:
Encouraging prospecting for tungsten with fluorescent lamp. Buying up output, seeking development of new products.

Manganese

Used In:
Steel production, each ton of steel requiring 12.5 lb. as de-oxidizer and "scavenger." America, far short of requirements, eating into stock piles until domestic marginal deposits exploited.

Production:
Dominion has one producing mine—Nabco Manganese. Opening up new properties here not nearly as far advanced as in the U. S. New Brunswick, Magdalen Islands and Ontario, north of Lake Superior, prospective areas for further production.

Canada:
Reported willing to assist in financing development of properties containing this mineral. Special tax arrangements available for searching for this type of mineral.

Chromium

Used In:
Steel production, which usually takes two thirds of all output either as refractory or for alloying. Used in chemicals. Demand now at record levels.

Production:
Dominion commenced production with one small producer, Chromite Ltd., in Quebec. United States has undertaken extensive development of domestic deposits and most of Chromium M. & S. Corp. requirements met from Montana.

Canada:
Rehabilitation of old chromite mines in Eastern Townships, Quebec, planned. Chromite showings in Ontario under investigation. Eastern Townships and B. C. best prospecting localities.

Mercury

Used In:
Shell detonators as fulminate of mercury. In antiseptics, also in anti-fouling paints for ship bottoms. Supplies now adequate for war requirements in North America.

Production:
Dominion has major source of supply for British Empire in Consolidated Smelter's Pinchi Lake mine, developed since outbreak of war. Expansion of this plant as planned will probably allow filling Empire's full requirements.

Canada:
Still wants further expansion in production of mercury from new properties. British Columbia formations most favorable for location of further deposits and some showings already under test.

Molybdenum

Used In:
Steel to intensify effects of other alloying elements, particularly chromium and vanadium. Used in hard-wearing parts, shell steel, armor plating and high speed tool steels.

Production:
Dominion does not at present produce this metal but has a briquette plant at Quyon, Quebec, which may be used as custom plant. Climax Molybdenum, a U. S. firm, produces perhaps 90% of world's molybdenum.

Canada:
Is completing special deals with companies developing properties whereby bonus prices will be paid, price depending on grade of deposit.

Cobalt

Used In:
Cutting tools and drills, welding rods, valve steel, magnets. Also used in dies and as catalyst. A substantial output lost in Burma but United Nations still control perhaps half total output.

Production:
Old silver properties in Ontario result in several hundred tons of cobalt being turned out a year. Canada is largest source of metal on this continent.

Canada:
As reported in The Financial Post, bonus prices being offered for production of this metal. Output is expected to be stimulated by reopening of old Cobalt properties.

Fluorspar

Used In:
Manufacture of synthetic cryolite, an essential ingredient in production of aluminum. Ordinarily most fluorspar used by steel industry and in turning out hydrofluoric acid.

Production:
Canada is financing production from two properties in eastern part of Dominion. A small output achieved in recent years but much smaller than that of United States.

Canada:
Has insufficient supplies despite increased shipments from the Madoc area in 1940 and 1941. Prospectors asked to hunt new deposits. British Columbia has potential source in Smelter's Rock Candy mine.

Tin

Used In:
Cans for canning industry, solder, collapsible tubes, etc. United States now operating new tin smelter at Longhorn, Texas, but output far below North America's needs. Bolivian ore used.

Production:
Dominion to turn out refined tin as by-product at Consolidated Smelter's Trail plant; may look after 10% of Dominion's requirements. No other immediate producers in sight.

Canada:
Ores of tin noticed in British Columbia and attempts being made to find commercial concentrations. Unglaciated part of Yukon considered possible source of stream tin.

Vanadium

Used In:
High speed tool steels to maintain strength and hardness at high temperatures. Axles and crankshafts are key places for use. Vanadium gives strong structure to cast iron.

Production:
Although a widely distributed element, Canada does not produce it. In the United States many mines turn vanadium out as by-product.

Canada:
Tests of what appeared to be most promising sources — the bituminous sands of Alberta — have not so far given encouragement. There are no known deposits of vanadium in Canada but there is a chance some may yet be found.

Find New Ore At Privateer

Prident Sector Yields One of Best Ore Shoots Yet Opened in Mine

Drifting on a new vein discovered in April in the Prident sector has given Privateer Mine one of the best ore shoots opened up in history. A 330-ft. length of ore has been opened up in drifting this vein at the 500 level averaging 3.55 oz. gold across an average width of 0.49 ft.

The new ore shoot suggests a considerable addition to the present indicated ore in the Prident mine, it is stated.

Raising On Ore Now

D[illegible] the new vein has now been disc[illegible]inued a[illegible] a raise is being driven on it from the 500-ft level to the 400-ft. level of the Prident mine. Drifting on the same vein is now proceeding at the 600 level and as soon as the ore shoot has been delimited at this level, a raise will be started from there to the 500-ft. level.

Approximately 270 ft. below the 600 level at the end of the long crosscut which was driven out from the Privateer Mine (now called the Prident 900 level), a raise has been started to come up beneath the raises on the Prident 600 and 500-ft. levels just mentioned, which will give direct connection from the Prident mine through the Privateer workings to the Privateer mill, and will permit handling a greatly increased tonnage of ore from the Prident mine.

It will be necessary in the near future to open up new stopes on several of the ore shoots already developed in the Prident mine in preparation for mining of major tonnage in the Prident mine, the company states. For this reason, the mine crew is being increased by some 35 men to a total of 150 men or more.

Production of $81,157 was secured from milling 2,605 tons of ore in May, an average recovery of $31.15 per ton.

Mining Company Reports

Young-Davidson

Although earnings were somewhat lower in 1941, Young-Davidson Mines maintained its total tonnage of ore in reserve at more than 10 years' milling requirements and increased its broken ore reserve to 2½ years' milling requirements.

Profits were won from milling 346,715 tons of ore for an average recovery of $3.96 per ton. At the end of 1941 broken ore reserves on hand totalled 868,000 tons.

During 1941 another level, the fifth, was established at a depth of 1,250 ft. in order to determine the lateral dimensions and downward extension of the ore body.

Statement of Operating Results (Results at Property, Title Held by Hollinger) Years Ended Dec. 31

	1941 $	1940 $
Bullion value	1,374,609	1,505,338
Add: Discounts rec'd	580	993
Total income	1,375,189	1,506,331
Less: Mining	520,330	532,815
Milling	240,592	220,844
General expense	222,677	271,344
Operat. profit	391,590	481,328
Less: Taxes	84,721	60,272
Net oper. profit	306,869	421,056
Adjustment	21,587	38,842
Divisible profit*	328,456	382,214

*Of which 20% belongs to Young-Davidson Mines by agreement.

Profit and Loss Account Years Ended Dec. 31

	1941 $	1940 $
Share of div. profits	65,691	76,443
Add: Tax adjust.	1,456	601
Less: Admin. exp.	7,932	7,280
Incorp. exp. w/o	4,392	4,160
Ont. incorp. tax	1,835	2,195
Net profit	52,988	63,409
Less: Dividends	63,364	31,682
Surplus for year	*10,376	31,727
Add: Prev. surplus	42,707	12,615
Nom. val. invest.	1	......
Less: Tax adjust.	......	1,635
Surplus forward	32,332	42,707
*Loss or deficit.		
Earnings per Share and Dividend Record:		
Earned	$0.03	$0.04
Paid	0.04	0.02
Working capital	36,680	42,664

Gold Belt

A month's shutdown and a broad scale of development combined to prevent Gold Belt Mining Co. from paying more than two cents a share in dividends in the year ended Mar. 31, 1942, President A. E. Jukes reports, but a dividend of 2 cents a share has now been declared payable June 15, to shareholders of record May 30.

Ore reserves as at March 31, 1942, totalled 39,000 tons of 0.28 oz. grade compared with 35,930 tons of 0.31 oz. grade a year previous.

Working capital shows an increase of over $150,000 to $397,218 as at March 31, 1942. Since the end of the financial year, the company has purchased 1,000 shares of Bralorne Mines, 500 shares of Lake Shore, 600 shares of International Nickel Mines and 500 shares of Noranda.

"It is reasonable to expect that in the horizon between the 1,400 level and the 600 level, new ore both in the older and newer veins will continue to maintain production beyond the estimated reserves," Robert Livermore, consulting engineer, states. Stopes are reported to have responded well but no new ore bodies were opened up last year. Three new veins have been intersected for exploration in the 1,400 north crosscut.

Income and Surplus Account Years Ended March 31

	1942 $	1941 $
Bullion produced	659,602	645,148
Less: Marketing	8,405	8,327
Net production	651,197	636,821
Less: Mining	242,021	196,154
Development	109,443	116,730
Milling	68,603	75,489
Ore delivery	5,147	6,890
Refining	1,072	1,009
Misc. expense	4,786	2,694
Gen. adminis.	12,881	10,308
Operat. profit	207,244	227,547
Add: Misc. income	24,022	1,117
Total net income	231,266	228,664
Less: Depletion	98,685	109,371
Depreciation	38,430	37,137
Min. & other taxes	12,452	22,924
Excess profits tax	16,147	
Net profit	65,552	59,232
Dividends	51,000	102,000
Surplus for year	14,552	*42,768
Add: Prev. surplus	62,465	105,233
Surplus forward	77,017	62,465
*Deficit or loss.		
Earnings per Share and Dividend Record:		
Earned	$0.026	$0.023
Paid	0.02	0.04
Working capital	397,218	342,126

B. C. to Abandon Peace Drilling?

From Our Own Correspondent

VANCOUVER.—Abandonment of the provincial government's experiment in oil drilling in the Peace River is expected in the near future.

The government has spent half a million dollars on this venture, which was one of the favorite enterprises of ex-Premier T. D. Pattullo.

Somewhat reluctantly the new government decided to proceed with drilling this year and made an appropriation for that purpose, but geologists are now said to have reported that the well is hopeless.

Meanwhile the federal government is carrying out a geological survey of the Peace River, and several large oil companies are said to be ready to form a development syndicate.

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Mining Concentrates

Cincinnati Porcupine Mines is reported to have completed a deal with Preston East Dome Mines with a crosscut for exploration already going out from the Preston workings. If commercial ore is discovered it will be treated in the Preston mill on a cost basis.

* * *

Camp Bird Mines will discontinue operations at its property in the Siscoe-Lamaque area for the duration of the war and the plant and equipment are to be sold, it is reported. An arrangement may be made under the terms of the mortgage and bond issue to provide sufficient funds for exploration at a later date.

* * *

Kirkland Townsite Gold Mines has called a meeting of shareholders for June 29 in Toronto. This is the first meeting of shareholders to be held for many years. An audited statement is to be presented to the meeting although officials have been unable to locate account books for several years ending about September, 1931. A by-law will be submitted for shareholders' approval for removal of head office from Haileybury to Toronto and another by-law seeks authorization for investment of surplus funds in stocks, bonds and other securities.

* * *

Dome Mines showed a further decrease in output in May:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
May	46,800	1,510	$11.24	$525,977
April	45,200	1,507	11.99	541,858

* * *

Ontario Nickel Corp. is releasing to George H. Johnson 200,000 shares now held by a trustee for the benefit of the company. These shares are part of the 500,000 shares which were originally issued to Mr. Johnson on Sept. 11, 1941, in consideration of the transfer to the company of an option to purchase mining lands in the Sudbury district from the estate of the late Wm. McVittie and were subsequently reassigned by Mr. Johnson to a trustee for the company. Issued capital is 3,844,408 shares, leaving 2,155,592 shares in the treasury.

* * *

Osoyoos Mines liquidator, H. H. Fletcher, reports that efforts to sell the property as a going concern have been unavailing. As there is no hope for enough being realized from sale of machinery to satisfy creditors, there will be nothing left for shareholders, it is stated. The company made an assignment on March 15, 1941.

* * *

Quatsino Copper-Gold Mines still retains its property adjoining Coast Copper Co. and also its 85% interest in claims along Long Duck River, Cariboo area, B.C., the company reports. Pending more favorable conditions, the company is investing its funds in dividend-paying B. C. gold stocks. On Dec. 31, 1941, it had $3,231 cash, 2,000 shares of Bralorne Mines, 4,000 shares of Sheep Creek Mines and 1,000 shares of Premier Gold Mining Co. Accounts payable were $135.

* * *

Sturgeon River Gold Mines advises the Toronto Stock Exchange an option on 4,000 shares, at 20 cents a share, to an employee has expired owing to the employee leaving the company.

* * *

Senator-Rouyn is reported to have reduced its outstanding issue of 6% notes to $4,000. This issue stood at $123,000 on Dec. 31, 1941.

* * *

Sigma Mines (Quebec) has declared 30 cents a share payable July 25, 1942, to record June 30. A similar dividend of 30 cents was paid on Jan. 15, 1942, making dividends 60 cents so far this year compared with 30 cents all 1941.

* * *

Sheep Creek Gold Mines had a net profit of $366,600 or 19.5 cents a share for the year ended May 31, 1942, the company estimates. This compares with $317,154 or 16.9 cents a share in the preceding fiscal year. Production in May showed a considerable increase:

1942:	Tons milled	Tons daily	Recov. per ton	Total recov.
May	4,906	158	$16.92	$82,985
April	4,435	148	17.45	77,382

* * *

Ymir Consolidated Gold Mines, for several years an active gold producer in the British Columbia interior, has decided to discontinue operation of its Ymir and Goodenough gold properties and will concentrate on development of the Mayflower base metal mine near Rossland. Shareholders have agreed to a deal whereby Ymir will move its plant to Mayflower for immediate operation on lead and zinc ore. The mill has a 150-ton capacity and the crushing plant can handle 250 tons daily. Sales to the Metals Reserve Co. are contemplated.

* * *

Waterloo, Ont. 1942 tax levy has been set at 32 mills, a reduction of 2 mills from the previous year. This maintains a record of an average annual reduction of 2 mills in tax levies for the last five years.

* * *

Kingston, Ont. 1942 tax rate has been struck at 35.50 mills as compared with 35.57 mills in 1941.

Consolidated Smelters Heads B. C. Dividend Payers

From Our Own Correspondent

VANCOUVER.—British Columbia mines have produced $223.5 millions in dividends since 1897, and of this amount Consolidated Mining & Smelting Co. has contributed $101.8 millions, according to figures issued by the provincial government.

Smelters leads the dividend list by a wide margin, and last year it maintained its record by paying $8.1 millions out of a total disbursement for all mines in the province amounting to $16.5 millions.

Premier Second

For the 1897-41 period Premier Gold ranks second to Smelters with total dividends of $19.6 millions.

Last year Britannia Mining & Smelting was second to Smelters with $2.8 millions, replacing the past year's leader, Bralorne.

Comparative dividend figures for B.C. Mines are as follows:

	1941 $	1940 $
Arlington	4,900	4,778
Bralorne Mines	1,496,400	1,496,400
Britannia Mining	2,835,676	1,465,638
Cariboo Gold Quartz	319,994	319,994
Consol. Smelters	8,190,823	7,367,455
Crows Nest Pass	186,354	186,354
Gold Belt	51,000	102,000
Granby Consolidated	270,140	360,186
Hedley Mascot	181,130	181,130
Highland-Bell	105,268	105,268
Island Mountain	189,129	257,607
Kelowna Exploration	300,000	270,000
Kootenay Belle	44,016	81,024
Mount Zeballos	55,000	110,000
Pioneer Gold Mines	700,700	700,700
Privateer Mine	392,653	441,734
Relief Arlington M.	90,000	150,000
Sheep Creek G. Mines	300,000	356,250
Silbak Premier Mines	400,000	400,000
Spud Valley G. Mines	84,000	84,000
Surf Inlet Consol.	53,457	40,083
Ymir Yankee Girl	44,500	......
Others	304,262	214,919
Totals	16,599,402	14,595,530

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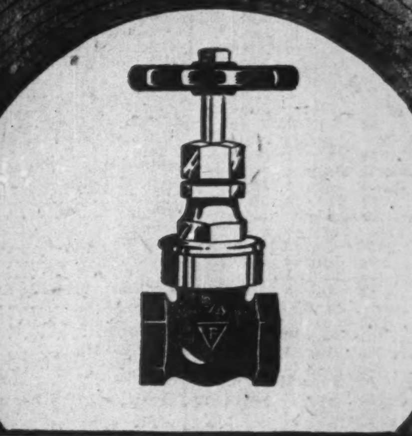

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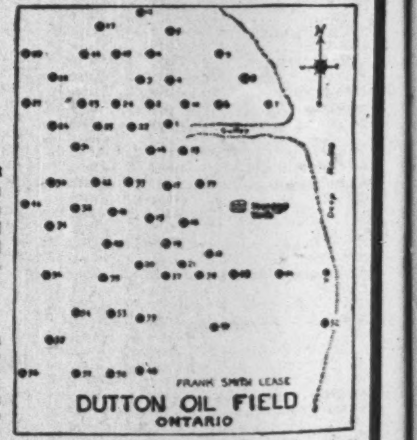

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The Week In Oils

From Our Own Correspondent

CALGARY.—Still another of the world's major oil companies has entered the western Canadian oilfield development picture. The Gulf Oil Corporation—generally regarded as fourth largest oil company in the world—has just started its initial geophysical survey in Alberta, presumably preparatory to undertaking actual development.

A ten man gravimeter crew, headed by W. W. Ruhlen of Texas, arrived in Calgary last weekend to engage in general reconnaisance work in Alberta this summer and fall. The party was sent in by Gulf Research and Development Corp., a subsidiary of Gulf Oil. Just where in Alberta it will work is not yet known. Gulf has been closely following Canadian oilfield development for some time. For the past 11 months, a Gulf geologist, R. P. Lockwood has been stationed in Calgary, checking developments for his company.

* * *

Four Biggest Represented

With the entry of Gulf, the world's four largest oil groups are active in the search for new sources of oil in Western Canada. The No. 1 group, Royal Dutch Shell, is represented by Shell Exploration (Alberta) Ltd.; No. 2, the Standard Oil group, by the Imperial Oil Co. and its several subsidiaries (Northwest Co., Royalite Oil Co., Foothills Co., etc.), and by Standard Oil of British Columbia; No. 3, the Texas Company, by its Canadian subsidiary McColl-Frontenac Oil Co.

The spreading Canadian activities of the big companies; the expanding prospecting activities of the numerous Canadian independents; more general realization of the vital need of new Canadian sources of oil; all these add up to the largest oilfield development programme ever to get underway in Canada. The programme is getting nicely into its stride. The spread of war to the western hemisphere, the strategic position of the known and potential oil resources of western Canada, the urgency of increased oil supply, have made this programme particularly important.

* * *

Tar Sands Producing

Abasand Oils is once again conducting mining and refining operations at its pilot plant in the McMurray tar sands area of northern Alberta. Max Ball, president of Abasand, announced this week that the plant, destroyed by fire last November, has been rebuilt and is again in operation. On one day last week, Mr. Ball reports, the plant handled 236 bbls. of crude oil, one of the biggest single day's refining since the plant was first opened May 19, 1941.

High government and railway company officials recently visited the McMurray area with Mr. Ball, announcement of the visit being made shortly after Dominion Munitions & Supply Minister C. D. Howe told the House of Commons that McMurray operations might be greatly expanded as a "war measure" to increase Canadian sources of oil supply. Just what, if anything, will be done in that line by Abasand or other interests, with or without government backing, is not yet known.

Describing the method being employed at the plant, Mr. Ball stated that the oil sand is mined by power shovel and conveyed to the separation plant in carryalls hauled by small caterpillar tractors. The oil is washed from the sand by warm water and recovered as a froth in quiet zone flotation cells developed by the company. It is then clarified of its remaining sand and water by diluting it with heavy naphtha and settling out the sand and water in a Dorr-type settler. The clarified oil is then ready for the refinery, where the naphtha is recovered for re-use, and the crude oil is converted into gasoline, diesel fuel, fuel oils and other products.

"The new units are working most satisfactorily," stated Mr. Ball, "with none of the difficulties previously encountered with certain other types of mining and conveying equipment. The average recovery is about nine-tenths of a barrel per ton of sand."

* * *

Test Taber Well

With a promising 12-ft. oil zone showing in the Sunburst sand from 3,161 to 3,173 ft., Standard Oil of B.C. halted drilling last week at its Taber-Province No. 1 test, around 40 ft. in the Madison limestone at 3,274 ft. Water showed up in the Ellis shale, immediately above the lime, and in the top of the lime. The hole was therefore plugged back to the base of the Sunburst at 3,175 ft., preparatory to determining the full possibilities of the oil horizon.

A brief formation test of the Sunburst was made before drilling was carried into the Ellis and Madison. During the test, fluid rose 1,800 ft. in about one hour, and gassified oil bubbled over onto the derrick floor when tools were withdrawn.

In October, 1937, Plains Pete No. 2, only current oil producer at Taber, also drilled through the Sunburst oil zone into water. There 26-28 API gravity oil showed up from 3,212 to 3,220 feet, water from 3,220 to final bottom at 3,222 feet. The hole was plugged back to 3,219 feet, but a good water shut-off was not effected. Despite this, the well has been operated spasmodically since (steadily for the past several months) and, by April 30, 1942, had produced 27,679 bbls. of oil.

Oil Royalties

Producing Wells — Prices and Payments

	June daily allow. bbls.	May daily allow. bbls.	Feb. roy. pay. 1% $	Mar. roy. pay. 1% $	Apr. pay. 1% $	Paid to April 30 1% $	Dealers offering price† 1%
Ace No. 1 gross	539	522	269.38	264.90	242.98	2,437.31	$ 8,200
Alta. Oil Inc. No. 1 gr.	109	114	61.60	65.60	53.20	3,294.80	1,800
Do., 1 net	109	114	50.80	56.00	44.40	3,834.80	1,300
Do., No. 2 gr.	573	565	214.80	251.20	229.20	4,572.00	....
Do., No. 2 net	573	565	196.00	229.20	208.80	4,645.40	7,500
Allied No. 1 pfd.	100	100	36.71	50.17	44.63	486.89	1,700
Arrow No. 1 net	163	118	81.20	85.20	77.20	1,215.60	2,100
Do., No. 2 net	203	207	76.80	86.00	76.40	1,138.20	2,900
Atlas No. 1 net pfd.	125	130	....	....	8.80	8.80	1,800
Atlas-Br. D. No. 2 pfd.	746	750	....	....	....	......	10,900
D. & D. net pfd.	80	85	29.60	41.20	34.40	1,634.60	1,500
Drill. & Prod. No. 3 p.	135	150	....	....	....	......	3,750
Harris No. 2 gross	77	81	41.15	48.24	39.56	2,373.98	2,300
Do., No. 2 pfd. net	77	81	32.20	39.03	17.25	3,058.58	1,400
Independent No. 1 p.	245	250	114.30	152.64	150.65	1,319.88	4,900
Do., No. 1 gr.	245	250	85.29	109.66	107.84	1,466.14	4,800
Major Oil No. 1 pfd.	146	153	82.80	92.00	74.00	302.80	2,100
Do., No. 1 gr.	146	153	76.00	79.20	71.60	1,183.20	2,500
Do., No. 2 pfd.	708	744	483.20	485.20	446.80	2,641.00	8,000
Do., No. 2 gr.	708	744	358.80	367.60	334.40	2,932.40	10,400
Do., No. 2 dfd.	708	744	....	....	....	......	6,700
Do., No. 3 pfd.	850	872	648.80	638.40	549.20	3,127.60	9,600
Do., No. 3 gr.	850	872	464.00	456.00	406.00	2,962.40	....
Do., No. 3 dfd.	850	872	....	....	....	......	8,700
Do., No. 4 pfd.	480	536	....	185.60	384.40	570.00	6,900
Do., No. 4 gr.	480	536	483.60	341.20	276.40	1,128.00	7,900
Miracle No. 1 pfd. net	643	704	486.86	500.13	456.48	3,477.23	7,800
Do., No. 1 dfd.	643	704	....	....	....	......	7,400
Do., No. 1 gr.	643	704	336.43	247.22	316.47	3,230.19	10,400
Do., No. 2 pfd.	473	516	....	....	78.69	78.69	6,300
Royalite-Model 1 gr.	194	197	....	....	....	......	4,600
Sunset No. 1 gr.	101	103	47.15	52.23	58.41	6,769.47	1,900
Do., No. 2 gr.	80	85	36.64	43.15	39.57	3,874.58	1,900
Twin Valley No. 1 gr.	168	176	74.86	82.35	73.15	1,801.31	4,300
United Assets (deb.)	165	175	....	....	....	......	100
Vulcan Brown gr.	117	143	110.50	85.70	72.80	7,955.02	4,300
Do., net	117	143	63.00	52.16	54.43	4,779.64	3,100
Winaita No. 1 pfd.	100	105	53.20	72.80	54.40	3,167.10	1,300
York No. 1 gr.	90	92	47.43	46.69	44.84	4,645.01	2,250
Do., No. 2 gross	75	80	33.60	43.55	54.20	1,482.54	2,250

†Usually approximately 20% over dealer's bid prices.

Drilling Wells — Prices and Depths

	Drilling depth ft.	Offering price per 1%		Drilling depth ft.	Offering price per 1%
Adanac, pfd.	3,316	*$4,375	Major Oil, No. 8 gr.	7,042	$8,600
Admiral, No. 1 pfd.	5,067	*4,375	Major Oil, No. 10 pfd.	6,816	*4,375
Admiral, No. 1 gross	5,067	5,000	Major Oil, No. 10 gr.	6,816	4,400
Atlas Br. Dom., No. 3 p	3,678	*4,375	Major Oil, No. 12 pfd.	8,200	*4,375
Bonaventure, pfd.	6,365	4,400	Major Oil, No. 12 gr.	8,200	4,800
Empire pfd. (Ontario)	....	1,100	Miracle, No. 3 pfd.	4,767	5,800
Ensign, No. 1 pfd.	cellar	*4,375	New Ranchmen's, pfd.	....	3,200
Hastings, No. 1 pfd.	7,652	*4,250	Northclon., No. 1 pfd.	3,369	*4,375
Lion-Davies, No. 1 pfd.	2,814	*4,300	Northclon., No. 1 gr.	3,369	6,500
Major Oil, No. 5 pfd.	6,481	*4,375	Northcross, No. 1 pfd.	2,455	*4,375
Major Oil, No. 5 gr.	6,481	4,800	Northcross, No. 1 gr.	2,455	4,800
Major Oil, No. 6 pfd.	5,630	7,200	Northend, No. 1 pfd.	7,478	5,300
Major Oil, No. 6 gr.	5,630	7,800	Northend, No. 1 gr.	7,478	5,800
Major Oil, No. 7 pfd.	8,092	8,500	Northend, No. 2 pfd.	4,432	4,300
Major Oil, No. 7 gr.	8,092	9,000	Northend, No. 2 gr.	4,432	5,800
Major Oil, No. 8 pfd.	7,042	7,700	Northend, No. 3 pfd.	7,766	5,000
			Northend, No. 3 gr.	7,766	6,300

*Pegged price.

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Cochenour Profits a Record —Result of Higher Ore Grade

From Our Own Correspondent

RED LAKE.—Treatment of a substantially higher average grade of ore has meant sharply increased profits at Cochenour-Willans Gold Mines. Operating profits for the year ended May 31, 1942, totalled $647,878 with net profit expected to be around $425,000 or 14 cents a share after all charges.

With operating profits currently running around $75,000 monthly, chances are considered good for a still further profit increase in the present fiscal period. The following table gives a graphic picture of the uptrend in both production and operating profits last year:

	Tons milled	Total recov.	Aver. recov. $	Oper. profit $
1941:				
June	5,090	52,546	10.32	14,707
July	5,270	68,680	13.03	30,498
August	5,270	84,421	16.02	45,246
September	5,049	94,211	18.66	55,992
October	5,270	89,001	16.89	47,862
November	5,190	119,980	23.12	78,691
December	5,055	91,138	18.05	50,635
1942:				
January	5,495	99,170	18.05	56,746
February	4,950	92,304	18.65	52,788
March	5,270	103,946	19.72	58,181
April	5,100	131,222	25.73	88,679
May	5,270	111,853	21.22	67,853
Fisc. year	62,279	1,138,472	18.28	647,878

The upward trend in production is chiefly attributable to the mining of greater tonnages of ore from the No. 105 stopes on the first level and from the second level No. 209 zone northeast of the main shaft.

The source of ore drawn in the first five months of 1942 is as follows:

150-ft. Level

Month:	Cars*	Oz. gold per ton
January	3,765	0.48
February	3,080	0.47
March	2,427	0.58
April	2,104	0.81
May	1,449	1.05
Total	12,825	0.62

275-ft. Level

Month:	Cars*	Oz. gold per ton
January	2,229	0.49
February	1,391	0.64
March	2,307	0.44
April	2,681	0.49
May	3,417	0.65
Total	12,025	0.54

375-ft. Level

Month:	Cars*	Oz. gold per ton
January	325	0.42
February	687	0.24
March	1,095	0.33
April	1,176	0.39
May	1,283	0.18
Total	4,566	0.28

*One car is approximately nine-tenths of a ton.

In April and May, a considerable tonnage from the second level was drawn from drift development headings in the new No. 255 ore structure. Ore drawn from the third level was largely from development headings and from the No. 311 sub-level stope.

"105" Ore Bodies Impress

Stope development of the No. 105 ore bodies, located 700 ft. east of the shaft and 640 ft. south of the No. 209 structure, has given added importance to their occurrence, it is stated. Two sections in stopes 105-1 and 105-2 are being mined to the east and west of a flat-lying lamprophyre dyke. The stopes are up 20 to 40 ft. above the level and are showing widths up to 16 ft. over a total extension of 130 ft. Grade is well above an ounce, the car sampling of ore milled in recent months being:

	Tons	Oz. Au.
January	845	1.18
February	1,062	0.90
March	427	2.07
April	584	1.51
May	720	1.77

Recent development in the No. 209 zone has opened up a fourth ore structure 150 ft. north of No. 223, being parallel and underlying. Drifting has been in ore for a length of 130 ft., showing an average width of 4 ft. Car sampling has returned an average grade of a half ounce gold per ton with recent advance returning an average of an ounce. The structure is flat-lying and lenticular, showing characteristic brecciated quartz carbonate with heavy mineralization.

Continuity on "209" Bodies

The No. 209 ore bodies, which lie 650 ft. northeast of the shaft, in the footwall of the main shear, have now been opened up over a total length of 700 ft. with the area to the east still "open" for further exploration. Vertical continuity above to the 150-ft. level and below to the 375-ft. level is being shown by raising and drilling. Gold content in the lenticular ore bodies is irregular, owing to frequent concentration of heavy gold. Stoping operations, together with extensive bulk sampling have indicated grade well above 0.75 oz. gold per ton, it is estimated. A raise in ore has been driven from the 311 sub-level to the east section of No. 223 with average grade and widths substantiated.

Drifting to the east of the main dyke has been started on the No. 223 ore body with diamond drilling from the 309 east heading on the third level indicating continuity of the ore structure for 200 ft. to the east.

On the third level the No. 309 west heading is in ore indicated as the depth continuity of the second level No. 221 ore body. Drifting west on the indicated rake west of the ore structures is under way. Two drilling intersections ahead of the drift have intersected high values over 3 ft. and 5 ft., the uncut assays being 9 and 1.5 oz. gold. The 319 drift located 220 ft. north of No. 309 has been in ore for four rounds. This is indicated as the depth continuity of the No. 225 ore body and is further defined by drilling intersections above the level and to the west of the drift face, the intersection being 5 ft. of 1.9 oz. grade.

Geology indicates a great stretch of ground to the east which is considered most favorable to the finding of further ore bodies. An active and comprehensive programme of surface exploration is now proceeding along the extension of 4,000 ft. to the east. Surface trenching and diamond drilling along the north or footwall zone is being done at present. Drilling is on the Cochenour claims close to the boundary with Kelson. The latter will be prospected and drilled during the coming summer months.

A second sintering hearth has been installed and is now resulting in a high saving in concentrate transportation costs and is also reducing smelter penalties for arsenic and sulphur. Concentrates continue to be shipped to smelter as it has been necessary to discontinue use of the Mace smelter on the company's property temporarily due to shortage of lead.

Favorable Report For Northend 3

Dr. J. O. G. Sanderson in a new report on the Northend No. 3 well, made in the light of drilling results to date and on new sub-surface data that has become available, is understood to have said: "This well should reach the Madison limestone at a depth of around 8,350 ft."

Dr. Sanderson says the present depth of 7,703 ft. is either through or in close proximity to the Home sand. He adds that the lower 200 ft. of samples have yet to be examined by the Conservation Board, but that the last samples reported upon are characteristic of the section in proximity to the Home sandstone. Possibilities of achieving good commercial production are stated by Dr. Sanderson to be decidedly promising. Necessary finances for completion of the well are said to have been provided.

Siscoe's Output Rises Slightly

Slightly better production has been realized by Siscoe Gold Mines the first five months of this year compared with the same period of last year according to an interim report. Grade of ore has now been stabilized at the estimated level, it is stated.

Operating costs for the five months were $3.30 a ton, the same as in the first quarter and at this level, the life of the mine has been definitely increased and development possibilities extended, it is stated.

Reduction in the dividend was partly carried out to provide for expansion in the base metal field.

Operate Molybdenum Group

An aggressive search is now being carried on for base metal properties and several are now under investigation. Siscoe has already been asked by Mr. Jules Timmins, president of War Minerals Board, to operate the molybdenite property in Lacorne twp., Quebec, and an arrangement is being worked out whereby Siscoe will undertake operations at an early date.

Operations have commenced at the Tetreault mine at Montaubun-les-Mines, Portneuf County, Quebec, a lead-zinc producer and a contract has been made with a government agency for the entire output over a period of two years commencing July 1. This property and other mineral operations will be operated by a newly formed, wholly owned subsidiary of the company known as Siscoe Metals Ltd.

The following changes in managing personnel have been necessitated by the expansion in activities. Operating personnel is now:

A. H. ROBERTSON, general manager;
R. G. WALSH, mine manager, Siscoe;
D. J. SYKES, mine superintendent, Siscoe;
H. ARMOUR, mine captain, Siscoe.

Mining INVESTMENTS

Canada's two tungsten mines—Smelter's Red Rose mine near Hazelton, B.C., and the Tungsten Mines subsidiary of Guysborough, operating the Indian Path property in Nova Scotia, both seem likely to expand production.

Major Angus W. Davis, who is in charge for Smelters at Red Rose, is reported conferring with officials at Trail regarding plans for expansion of production rate. Milling at 100 tons daily was started at the Indian Path property earlier this year and plans now call for working up the milling rate to perhaps 300 tons daily later this year. Bringing in of this latter property was a direct result of the Japanese entry into the war and cutting of tungsten supplies from the far east.

* * *

Labrador Mining & Exploration Co. has now 10 parties of engineers, geologists and prospectors either on their way to the company's base at Sandgirt Lake, near Grand Falls, Labrador, or already at work. Plans have not been announced but it is believed a large part of attention will be devoted to the great hematite iron deposits on the company's concession.

Altogether Labrador M. & E. holds concessions covering 23,000 acres. The first of the iron deposits is at Sawyer Lake, latitude 55 degrees north. With Hollinger Consolidated in control, adequate finances are expected to be available for all projected work.

* * *

McKay (Quebec) Exploration Co., holder of 150,000 shares of Labrador M. & E. Co., held its annual meeting last week and the retiring management under President A. H. McKay was returned over the opposition of Coniagas Mines which had waged a proxy battle prior to the meeting.

President McKay informed shareholders that some discussions had taken place regarding the distribution of the Labrador M. & E. shares to the company's shareholders and that the matter is being further investigated. Distribution of these shares (equal to 15 Labrador shares for each McKay Quebec Exploration share) was the proposal advanced by Coniagas. Shareholders were informed at the meeting that active work is now under way on the Labrador concession.

* * *

B. C. mineral production set a new high last year—$78.4 millions, or $2.7 millions more than in 1940. With labor shortage and costs of production becoming steadily more serious handicaps to operation, it is unlikely that the record will be duplicated this year.

Gold production last year totalled $23.3 millions of which $21.9 millions was lode production. Base metal figures are not available.

Crow's Nest Coal Opens New Mine

VANCOUVER.—With a view to stimulating coal production at a time when oil shortage is increasing pressure on the industry as never before, Crow's Nest Pass Coal Co., which already mines about half B. C.'s entire output, is opening a new mine between Fernie and Coal Creek to be known as the Elk River Colliery.

Equipment for the new mine, including a retarding conveyor to carry the coal from the mine to the preparation plant, will cost $1,250,000 and when complete the operation will employ about 750 men with an annual payroll of $1.5 millions. Production of 2,000 tons daily is expected by the end of this year.

The company hopes to restore the coke ovens at Fernie if sufficient labor and equipment can be secured.

Disallows Claim Stadacona Case

Exchange of Shares For Notes Ruled Illegal By Superior Court

From Our Own Correspondent

MONTREAL — Claim of Earle Baptiste of Three Rivers to rank as a creditor of Stadacona Rouyn Mines Ltd., in liquidation, in the sum of $2,500, representing the value of a note which the claimant received from the company in exchange for 5,000 shares of the old capital stock of the company, has been disallowed by the superior court.

The exchange was adjudged an illegal transaction and Baptiste was ordered to pay to the liquidator $791 he received in interest on the note and held to rank as a shareholder of the company in liquidation according to the present value of the shares he surrendered for the note.

The court's judgment is important in the light of a declaration made by Ernest Lafontaine, attorney for the contestant of Baptiste's claim, to the effect that a very great deal of the credit in the hands of the liquidator today was based on notes similar to the one held by Earle Baptiste and that "if the contestation succeeds, the number of real creditors of the company in liquidation will fall to a relatively small figure."

Mr. Justice Boyer said jurisprudence on the point raised by the contestant-creditor was clear. A company, he added, could not legally convert its shares into credit against itself—in other words, it could not convert shareholders, who were associated in a limited responsibility, into creditors.

Casting Slab Zinc

IN the titanic struggle in which we are now engaged, one of the most important metals is zinc for the production of brass for cartridge and shell cases and for many other purposes. In its big electrolytic refinery at Tadanac, B.C., The Consolidated Mining and Smelting Company is producing various grades of zinc at a record rate. In addition to "High Grade" electrolytic, the Company is turning out large quantities of "Die-Casting" metal having a purity of more than $99\frac{99}{100}\%$.

PRODUCTS OF THE COMPANY
Lead
Zinc
Tin
Antimony
Bismuth
Cadmium
Gold
Silver
Indium
Mercury
Magnesium
Magnesium Powder
Zinc Dust
Zinc Oxide
Copper Sulphate
Tungsten
Ammonia
Ammonium Nitrate
Ammonium Phosphates
Ammonium Sulphate
Superphosphates
Sulphur
Sulphuric Acid
Oleum
Nitric Acid
Hydrofluosilicic Acid

THE CONSOLIDATED MINING & SMELTING COMPANY OF CANADA LIMITED

For Sale Cheap; One Railroad

B. C. Offers Its Problem Child for Adoption

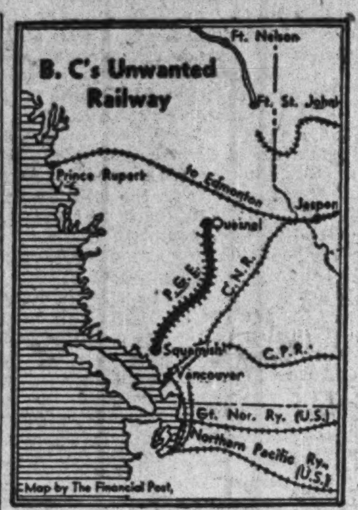
From Our Own Correspondent

VANCOUVER—For years the Pacific & Great Eastern Railroad has been a millstone around the neck of the British Columbia government. It has cost something close to $100 millions and, while recently it has been paying operating expenses, the great load of accumulated debt has had to be carried by the provincial treasury.

Now, for the first time since the government reluctantly went into the railroad business, observers concede it a better than even chance of getting rid of its problem.

Even the most optimistic, however, are not dreaming of any profit in the deal, but are hoping for a conclusion of the long succession of heavy deficits. Sudden emergence of Alaska as a keystone of North American defense is the reason for the overnight change in P.G.E.'s prospects.

No matter what the original ambitions for the P.G.E., the railway, as left on the doorstep of the provincial government, was a bush line. In the words of the man of the street it started nowhere and ended nowhere. It comes out to tidewater at Squamish about 30 miles north of Vancouver. It ends some hundreds of miles north up the Fraser River at Quesnel.



Tough Country

It would take 30 miles of building over admittedly tough country to give it a rail connection with Vancouver and the other lines, Canadian and American, that enter that city. It would take another 150 miles north from Quesnel, over surveyed, partially built right-of-way to connect it with Prince George about 250 miles west of Jasper on the Prince Rupert line of the Canadian National.

Without those connections, P.G.E. was an orphan with a most doubtful future, but to build them would have been classed by most informed observers as merely throwing good money after bad.

True, opening of mines around Quesnel had eased the loss situation recently but hardly justified the development of a railway which, for a great part of its length, would have been paralleled by the main line of the C.N.R. Had it not been for Alaska's sudden prominence, P.G.E.'s expansion would likely have continued to slumber, a headache to every B. C. provincial treasurer.

Ties With Alaska

P.G.E. has two ties with the Alaska situation and both are potent. At present the bulk of the freight for the Alaska military highway goes over Canadian railways. As most—if not all—of this freight originates in the United States, naturally American lines are not indifferent. With P.G.E. directly connected with Vancouver in the south and Prince Rupert in the north, there would be an entirely different story.

Great Northern comes up from Seattle and into Vancouver. Great Northern might secure running rights over the P.G.E., might even consider buying it. It would then be in a position to bring American freight from the point of origin in the U. S. over its own and affiliated lines right up to Prince George on the C.N.R. Or still better it might, by an extension of P.G.E., farther north intercept the Alaska highway direct, or push on and link up with the existing rail lines in Alaska. This, of course, would be a most expensive railroad project, but it would also result in a highly important strategic railroad, and in any case, with the U. S. government probably footing the bills, expense is said to be a minor item.

Feelers Have Been Out

So far there has been no word from official sources regarding any actual negotiations. But it is no secret that plans have been discussed and feelers put out. It is stated that one company is prepared to put $110 millions into the project—this to cover purchase of the existing P.G.E., the building of the extensions into Vancouver and Prince George. No details have been divulged of how much of this $110 millions the B. C. government would be offered for the present line. Best estimates point to far below the $100 millions which the provincial authorities have sunk in it.

So far as the government is concerned, the actual price would not prove a stumbling block. Anything based on a fair valuation would likely prove acceptable, the authorities being prepared to take a fair loss to get out of the railway business, and to have the country developed.

There would be wonderful tourist and mining possibilities in the railway if extended toward, if not actually to, Alaska, especially if someone else shouldered any deficits.

Don't Like Choice

It is no secret that British Columbia is disappointed with present choice of the Alaska highway route. It will open country closer to Alberta than British Columbia and when ownership is turned over to Canada after the war, Edmonton rather than Vancouver is going to get much of the benefit. But a more direct rail connection to that road would help a lot and B. C. engineers familiar with the general geography and topography also predict that the road as planned now is not going to be enough for the work in view.

Finished Refunding

The British Columbia government has just completed a refunding deal on the bonds of the P.G.E. As a result, the burden of carrying the road has been considerably lessened. But speaking most conservatively, the authorities are not enthusiastic about their stepchild and would like to get it decently adopted by some other parent more fitted by experience and wealth for the task. For many years, there have been but faint hopes. Now through the fortunes of war the government may find itself in the position of the owner of an expensive and unsaleable property right in the middle of some unexpected civil improvement. It would not be a doubtful swap but a cash deal.

London Calling

by Adelphi

LONDON.—If these were normal times the London season would be at its climax but there is not an echo of it left. Social life is at an end for no one has the food or the servants to entertain at home and families are scattered to the winds. Only the Honors list and the Derby (with no extra trains to Newmarket and private motors grimly restricted and scrutinized) are a faint reminder of other and more leisurely days.

The man who superintends the the bestowal of Honors is Brendan Bracken, the Minister of Information. He is a great character this shockheaded, shaggy, half-melancholy, half-humorous financier, politician and philosopher. He has a cottage in the country to which he occasionally beats an orderly retreat but most of the time he sleeps at No. 10 Downing Street for he is a great friend of Churchill's.

Bracken is unmarried, which is odd, for he possesses a most sympathetic nature. When Sir Austen Chamberlain died, almost penniless after so many years of public service, Brendan went to the city and persuaded a few rich men to establish a fund that would keep Lady Chamberlain in modest comfort. Financially he has always been a pessimist which has protected him from losing much money and also prevented him from making much. He is generous, hot-headed but shrewd. Next to Churchill his closest friend is Beaverbrook.

* * *

Honors Have Uses

Naturally, in preparing an Honors list Brendan Bracken would take advice from the departments. The Chief Whip recommends the Honors for the House of Commons but by a self-denying ordinance the House has done away with such things for the war save in the case of retiring ministers. The service ministers prepare their lists and then Brendan surveys the rest of the nation's life.

Mr. Churchill takes little personal interest in these matters. As a plain "Mister" he knows that in public life in Britain no title could dignify the man who has been Prime Minister. Lloyd George would not take a dukedom, Ramsay MacDonald refused an earldom, Bonar Law would not have accepted a marquisate. Baldwin accepted an Earldom and disappeared not only from view but from history.

At the same time Honors are great fun for those who receive them. What is more the system results in getting an amount of unpaid public service from people which would normally use up a lot of revenue. It keeps them rigidly honest and respectable in anticipation of the coming dignity—and afterward they can be used as chairmen of public meetings, for opening bazaars and maintaining tradition. Contrary to common belief Honors are not sold for cash.

* * *

Kicked Upstairs

In Britain there is a nice distinction made between failure and lack of success. Being a kindly people they prefer to think in terms of lack of success rather than of failure—therefore the man who has to go is very often "kicked upstairs" or sent out to govern a few blacks somewhere. An interesting case is Dr. Ogilvie who was removed from his post as Director General of the BBC about a year ago. Dr. Ogilvie's appointment to the BBC was incredible even in a country which has a deep faith in the amateur as opposed to the expert. Dr. Ogilvie was a professor at Belfast University.

Both his training and his temperament made him peculiarly unfitted to administer the huge entertainment mechanism in Portland Place. I knew him well and both liked and respected him, but as a man, not as Director General. So finally he was put out. This morning he appears in the Honors list with a knighthood. I happen to know that the financial settlement on his retirement was both substantial and generous. Yes . . . this is a kindly country.

* * *

Baronet Shakespeare

A case of a different kind is that of Geoffrey Shakespeare who has just been given a baronetcy which, of course, means that his knighthood is an hereditary one and will go on through the generations. Geoffrey Shakespeare was not a failure as a politician yet he never rose above the position of Undersecretary. One of the reasons was that he belonged to the National Liberals, that is the Simon-Belisha Group which left the Liberal fold in 1931 to support the National Government.

You will remember that Ramsay MacDonald brought a National Labor group over at the same time. Time, as someone seems to have observed, marches on. There is a National Government today but it is supported by the full Socialist Party and the real Liberal Party. There is no place in the scheme of things for the little groups that crossed the great divide in 1931. They are still with us clinging to the government with the persistence of Mrs. Micawber vowing that she would never desert the immortal Wilkins.

Sir Geoffrey, as he now is, will be best remembered for two things. In 1921 when he was Private Secretary to Lloyd George he was sent off in a destroyer to carry the proposed settlement terms to the Southern Irish Leaders. There seemed something very dashing and swift in those days about travelling in a destroyer.

His other claim to fame will rest on his handling of the child evacuees to Canada and America. This touched him deeply and he worked with a passionate zeal on this task. One of his happiest memories is his trip to Canada a year or so ago when he saw his little visible exports taking root and finding happiness in the great Dominion. Shakespeare has a sweet wife, patient, good-humored and kind. He plays a fair game of golf, has been a journalist and once won a contest on stilts. But politically I would say that he is finished. Nothing is less wanted in politics than the rebel who remains after the cause of the rebellion has passed away.

* * *

Sir Alexander Korda

Alexander Korda is a Knight. This humorous, gently cynical, ex-Hungarian journalist has done well in his adopted country. When no other British producer would touch Henry the Eighth, because it was history, Korda saw that a man with many wives must make a good film. He also refused to accept the view that the average cinema audience has the intelligence of a child 12. Korda put it as high as 16.

He persuaded the Prudential Assurance Co., to enter the film business and with its money he built elaborate studios at Denham where he produced many films of quality.

His Nelson or "Lady Hamilton" was real Box Office and useful propaganda. His wife Merle Oberon, an artistic variation of O'Brien, will carry her share of the title with grace and discretion. In the meantime it is only fair to record that the pioneers of British films such as C. M. Woolfe and Michael Balcon are saying things at this moment that could hardly be construed as pro-Hungarian.

* * *

Last week the King and Queen visited Scotland but Lord Rosebery, the Regional Commissioner, could not receive them and instructed his deputy to crave the indulgence of their Majesties.

"I am suffering from an affliction of the feet" was Rosebery's message, "but it is better that it should be my feet rather than those of my horse Hyperides."

The King smiled, went to say something and then decided not to. It will be a great race on Saturday. A pity that so few people can get there to see it.

New Books . . .

Keeping Books

ACCOUNTING PRINCIPLES AND PRACTICE, by R. G. H. Smails and C. E. Walker. Published by the Ryerson Press, Toronto. Price $4.50.

The authors of this standard text on accounting are associate professors of accounting at Queen's University and instructors in the courses of the Institute of Chartered Accountants of Ontario. They approach the problem of bookkeeping and accounting from the standpoint of Canadian laws and business practices, lack of which makes United States and British texts on the subject of less value to Canadian students and businessmen.

In its treatment of its subject the book progresses from the simple principles of keeping accounts to the advanced ideas found as the size of the business unit gets larger. It could be compared with the changes which might take place during the period of growth from a small business which the proprietor could have always under his own sight to the extended operations of large, modern corporations. The reader will not find his understanding taxed by the step by step progression from the simple to the complicated and specialized.

This fifth edition is substantially revised and rewritten. For the student and teacher, numerous practical problems are given with each chapter. There is also a very valuable chapter on the interpretation of financial statements. This can be of great help to the business executive who desires to apply scientific principles to his control over the financial aspects of his business and to the investor who desires an understanding of the methods available for careful analysis of financial statements.

Odyssey in Wartime

TIME RUNS OUT. By Henry J. Taylor. Published by McClelland and Stewart, Toronto. Price $3.75.

"Time Runs Out" is the record of one of the most remarkable Odysseys of modern times. Mr. Taylor left the United States on October 4 last and returned on December 15. In the intervening ten weeks he visited Portugal, England, Sweden, Finland, Germany, France and Spain, achieving the unique distinction of both British and German visas on the same passport. He talked with top men in each of these countries, spent several days with the President of Finland, ran down for a few days to see Lord Gort at Gibraltar and made an extra side trip from Lisbon to London to confer with British Government officials. One suspects that Mr. Taylor, who cabled articles to an American newspaper syndicate while he was away, is more than a reporter. He does not say so but it is evident that he was on some sort of off-the-record official mission; which explains why miracles happened in respect to needed passports, clipper passages, visas, etc.

His theme is as the title indicates: time runs out. Everywhere he went on the Continent he saw that we could beat Hitler, but there is so much to be done and so little time in which to do it. Hitler, who has always thought of this as an "interocean" war, is fighting a holding operation on the Continent until he can launch a powerful navy to conquer the world. It was his hope to "seize, organize and exploit the Continent before he attacked the World." Mr. Taylor thinks that when Britain went to war in 1939 she rushed Hitler by at least 5 years.

Mr. Taylor thinks there was a simple reason why Hitler did not invade Britain after Dunkirk; it was because he was not yet ready to fight the "interocean" war. But he thinks that Hitler will some day attempt an invasion of England, by concentration of forces.

How are we going to beat Hitler? Mr. Taylor doesn't think it is going to be a short job. We are going to go through, in the next 5 years, sacrificial experiences such as we have never dreamed of. The defeat of Hitler will call for "the largest use of men and materials, the greatest movement of soldiers, ships and equipment in the ageless history of arms."

This is the broad thesis and in many forms it is developed as Mr. Taylor's book unfolds. But to most the book will appeal most as the story of a journey, of the people Mr. Taylor saw and of what these people had to say. His firsthand impressions of the war effort in England and in Germany, his effort to explain Finland's tragic position—these in themselves comprise a remarkably dramatic and exciting book.

One suspects that Mr. Taylor did not trouble to submit his manuscript to the censors of some of the countries he visited. For instance, he names the city at which the plane from Lisbon landed him in Britain, told where the House of Commons is now meeting and describes the defenses between Dover and London. In these and many other places he has done what the British Government asks its journalistic guests not to do.

Henry Taylor is described as an ace correspondent, a successful businessman and a top flight economist. He can claim a further qualification, that of being a first rate recorder of contemporary history.

HEADS MONTREAL CURB

Grant Johnston, who has been elected chairman of the Montreal Curb Market, replacing D. S. McMaster, who has resigned to take a position with the Wartime Prices and Trade Board.

Quebec Boosts Power Sales

From Our Own Correspondent

MONTREAL.—Operation of war plants, increased employment and greater spending power, find reflection in operations of Quebec power utilities. During the first quarter of 1942, according to the Quebec Public Service Board, electricity generated increased 27%.

Featuring the breakdown of primary energy sold in the province in the first three months is a jump of 35.6% in industrial sales. Domestic sales advanced 3.5% and commercial sales 5.1%. The only type of service to show a decline was wholesale sales to municipalities.

Revenues from power sales for the first quarter of 1942 amounted to $19.7 millions, according to reports submitted to the Board.

POWER GENERATED IN QUEBEC

	Millions of Kilowatt hours 1942	1941
Total generation	5,124.9	4,030.2
Total sales	4,714.1	3,817.9
Primary sales	3,326.3	2,507.4
Export (primary)	1,229.6	993.1
Secondary sales	258.2	317.4

Primary Energy Sold in Quebec

Class of service—	Millions of Kilowatt hours 1942	1941
Domestic	89.5	82.4
Commercial	87.9	83.6
Industrial	3,046.9	2,242.5
Municipal	39.3	37.9
Transport	49.9	47.9
Wholesale	12.8	12.9
Total	3,326.9	2,507.5

Revenues from Sales in Quebec

	1942 $	1941 $
Domestic	2,529,292	2,360,069
Commercial	2,296,704	2,175,689
Industrial	10,747,521	8,352,941
Municipal	459,162	453,308
Transport	351,041	341,723
Wholesale	105,886	49,422
Total	16,489,606	13,778,152

Revenues from Export Sales

	1942 $	1941 $
Primary energy	3,227,838	2,908,794

Calgary Exchange Elects Officers

Calgary Stock Exchange announces that Leonard Phillips has been reelected president for the current year. Complete list of officers and committee members is:

H. A. BENJAMIN, honorary president.
LEONARD PHILLIPS, president.
JAMES CLEAVE, first vice-president.
S. H. PURDY, second vice-president.
R. W. SCRIMGEOUR, secretary-treas.
JOHN W. SPEER, H. M. VINCENT, R. SWIFT HODSON, C. S. McKENZIE, P. F. REEVE, P. J. TIMMS, members of the committee of management.

2000 MORE YOUNG MEN

assured security last year with

Imperial Policies

● As time marches on, 2,000 more young men will reach the day when their Imperial "20-pay-life" policies become paid-up. Last year, of the 8,000 Imperial policies issued, more than 2,000 were on this ever-popular plan.

Young men like "20-pay-life" assurance because it provides adequate protection both before and after marriage and limits the savings required under the plan to the best earning period of life. They like the flexibility of the plan, too, for it can be made to mature as an endowment by continuing the same savings for an additional period.

Twenty years pass quickly. Ask Dad! The sooner you start your life insurance plan, the lower the premium deposits. The first step? Mail the coupon today.

Over 8,000 Imperial policies were issued last year. To a growing cross-section of the people of Canada, The Imperial Life is "my insurance company".

IMPERIAL Life

FOUNDED IN 1897

BRANCHES AND AGENTS IN ALL IMPORTANT CENTRES

COUPON

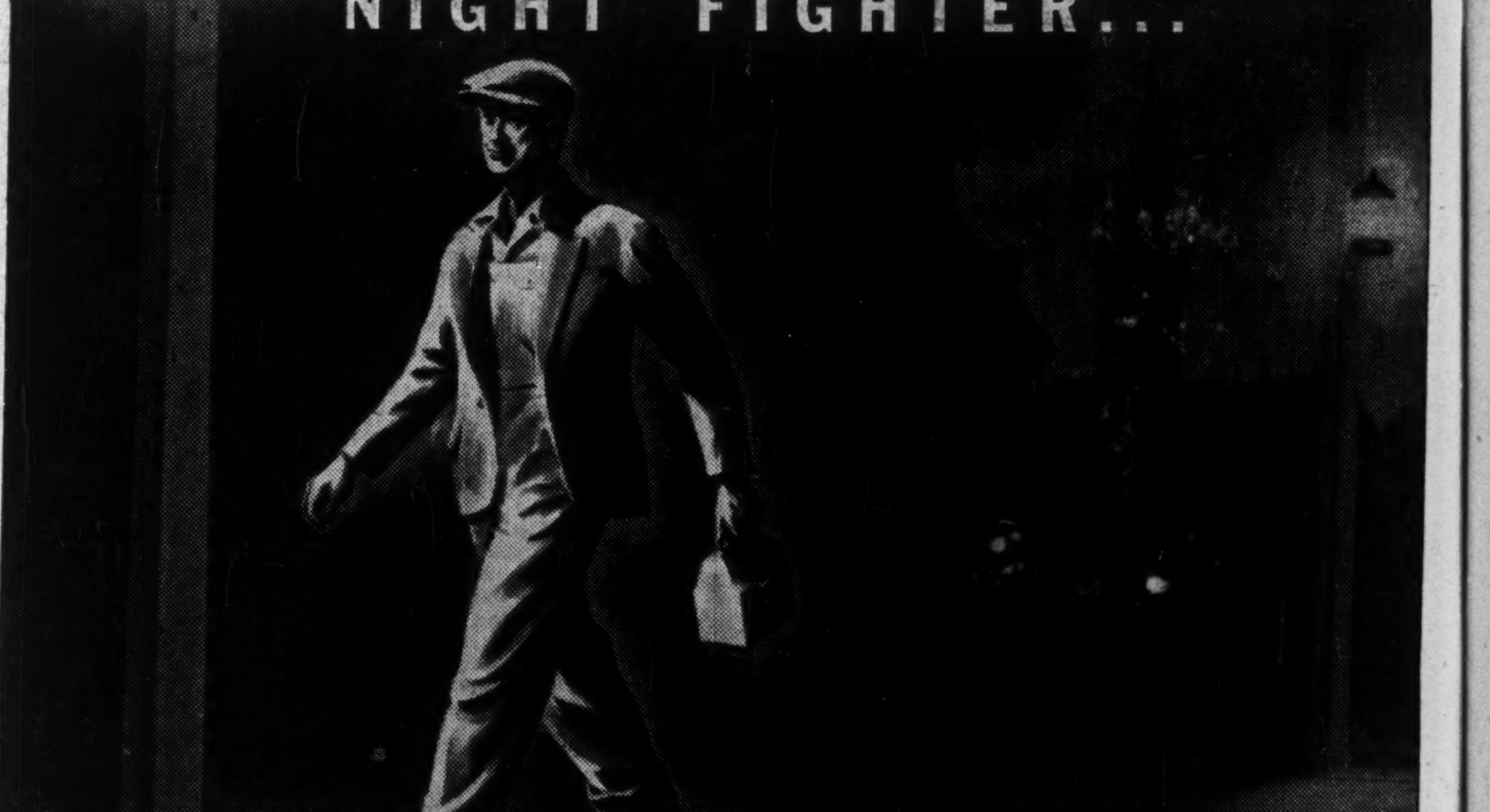
Imperial Life Assurance Company,
Head Office, Toronto.
Please furnish further information about Imperial "20-pay-life" policies. This is not to obligate me in any way.

Name..

Address..

Age.........Occupation..........................

NIGHT FIGHTER...



IN the still hours of the night, a man shuts his door on the comforts and companionship of his home . . . turns . . . and makes his lonely way down the dimly lit streets. He goes to fight for the freedom of his country! He's a civilian! Yes! But, he's a fighter, too! For his particular skill and knowledge—his type of fighting is indispensable to the successful outcome of Canada's war effort.

This man is a symbol . . . a symbol of the fighting spirit of an increasing army who labour three shifts a day here at Anaconda in answer to the Empire's call for more and more copper. Yes, the production of copper and its alloys, so essential in carrying the war to Hitler, is an all-out job. Because the combination of corrosion resistance, machinability and other important properties found only in the red, rustless metal make some of its many forms indispensable to every item of our modern fighting equipment.

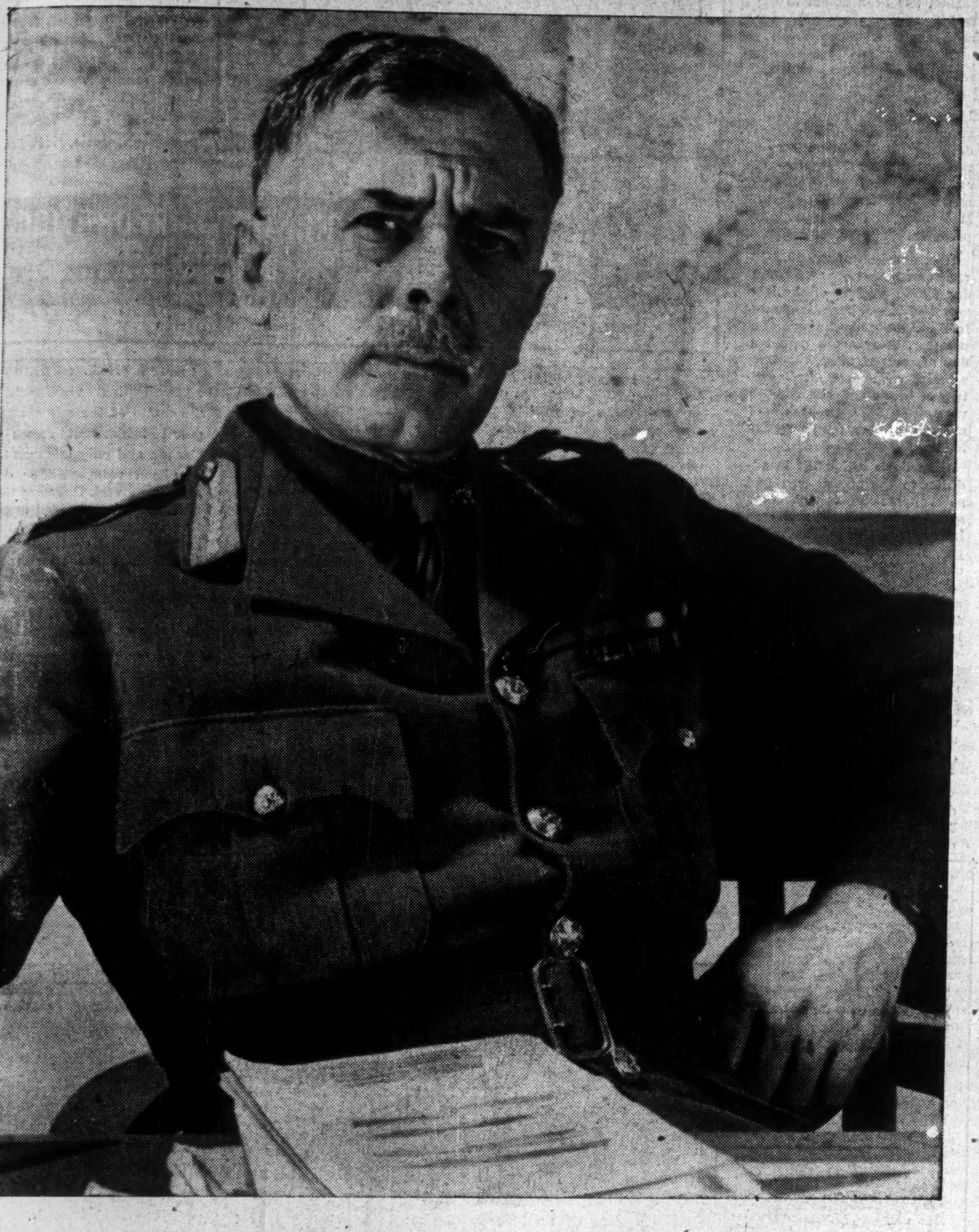
In this cause of freedom, Anaconda has greatly expanded its facilities—has trained apprentices to work in other mills as well as for its own increased operations. Today a staff of skilled Anaconda workers that has more than doubled since war began, is producing essential metals at many times the pre-war scale.

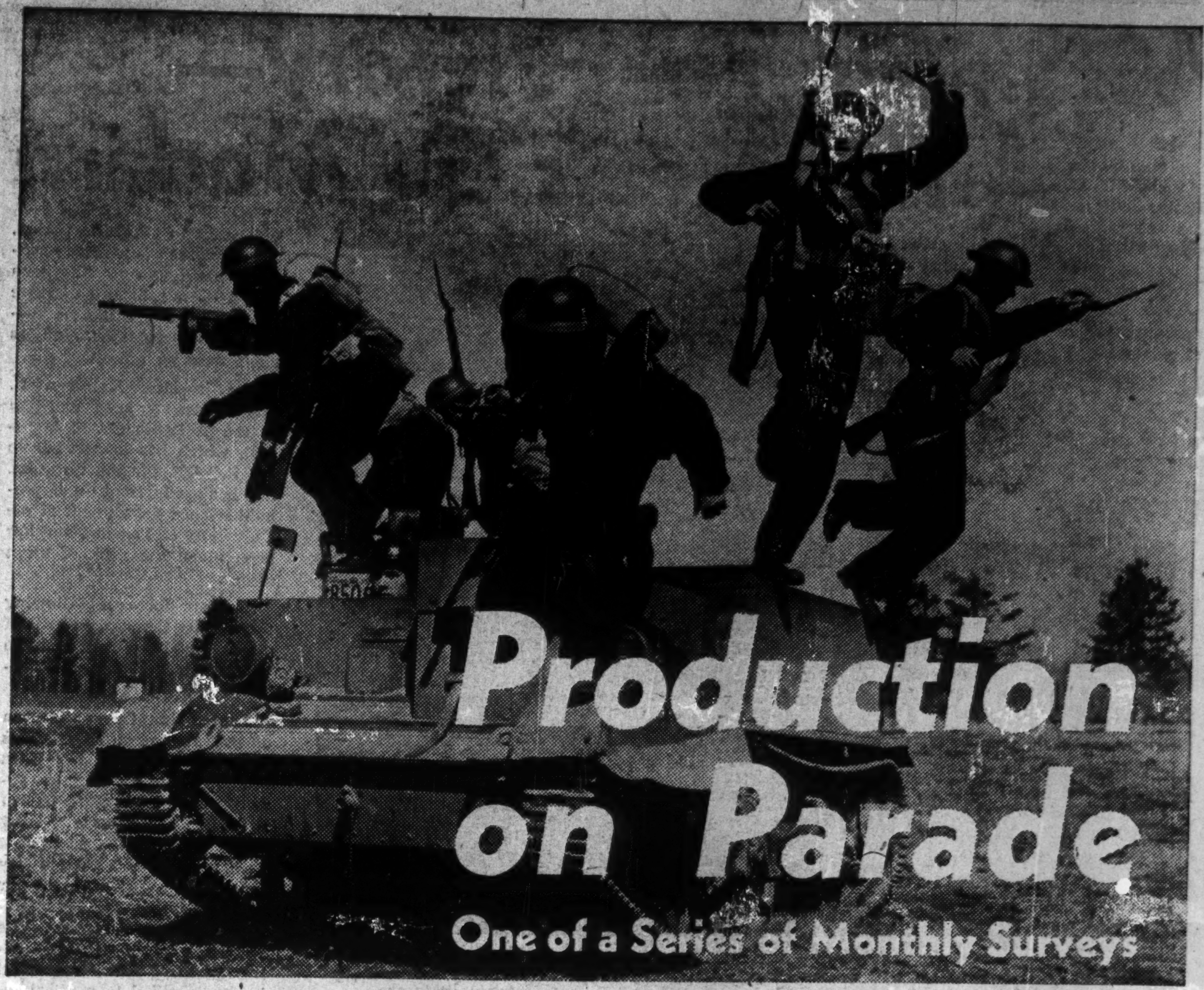
ANACONDA Copper and Brass

ANACONDA AMERICAN BRASS LIMITED
(Made-in-Canada Products)
Main Office and Mill: New Toronto, Ont. Montreal Office: 939 Dominion Square Building

Anaconda Copper & Brass

THE FINANCIAL
POST
JUNE 27, 1942





Canada's Men are Well Armed—

They Have Most Modern Training—

Their Food is Best Procurable.

General McNaughton Gets Army He Wants

Most colorful, most hopeful, most quoted description of Canada's army overseas is Lieutenant-General A. G. L. McNaughton's: "The Canadian Corps is the point of a dagger aimed at the heart of Berlin."

But between that point and its objective, Nazi flesh, is armor plate, guardian guns, tanks, troops, planes by the thousands. If that dagger point is not to be blunted and dulled by the hot impact of battle it must be forged with all the skill that Canadian brains command, it must be driven home with all the force built up through the weeks and months of preparation.

Next week the Canadian public will see something of that forging process. The army is eager to show its training methods, it is throwing its training camps open in a great nation-wide Army Week.

In those camps "old sweats" of 1914-18 will see the revolution in military training that has taken place since their day. In the Great War the recruit's training was limited to marching, weapon training. Specialized training, instruction in the maintenance of mechanical transport, lessons in fast movement played little if any part in his training.

Today's man in battledress has to be as much of a specialist and technician as his skilled brother in the factories back home. His schooling is infinitely detailed, painstakingly thorough.

Army Week visitors will go to the 28 basic training centres which are capable of training 20,000 men at a time. Here the recruit gets his first real taste of army life. For two months he follows a 6.30 a.m. to 4.45 p.m. schedule that toughens him physically and sharpens him mentally. Those visitors will blink when they see how, in two month's time, the rookie absorbs a heavy volume of instruction in marching, first aid, rifle, anti-tank rifle, light machine gun, pistol, bayonet, respirator, anti-aircraft defense, fieldcraft, map reading and fundamental training.

Visitors to the 25 advanced training centres will see the soldier's next move to a set-up capable of handling 25,700 men at a time. Here the instruction given at the basic training centre is extended. In addition the soldier is taught how to use special infantry weapons—the mortar, hand and rifle grenade, sub-machine gun, digging weapon pits and the placing of wire entanglements. Soon he can march 20 miles daily without discomfort.

Combined with fighting skill must be craft that assures the keeping in trim of those weapons and all the mechanical transport involved in modern warfare. Canada's tough fighting men must also learn the intricacies of trucks and motorcycles. A break-down in time of action may prove costly, even disastrous. Thorough-going courses in mechanics assure that the Canadian Army will be kept rolling.

The Army calls for skilled tradesmen of almost every description. From ammunition examiners to wireless mechanics the alphabet of needed trades runs. To supply those requirements the Army has its own trade schools which takes those soldiers who show a natural aptitude for this type of technical work. Concentrated courses under expert direction raise the fighter-worker to the highly skilled bracket, not only making him of great value to the armed forces but also preparing him for a peacetime job.

This stress on the individual readies him for greater responsibilities, quickens his initiative. On that solid basis there is added a unit training which teaches the fighting man how to combine his ability with that of his comrades. Result is a closely co-ordinated, smooth-working, hard-hitting weapon, polished and sharpened by weeks of training and concentrated effort, and now ready to strike at the enemy.

The dictator nations stress mechanical warfare—noteworthy is the fact that in Canada there is one automobile to every eight persons, in Germany one for every 42.

Training, training, training has been the solid, constant theme. Education to open a man's mind, make him alert, quick to see new possibilities, responsive to new ideas.

For McNaughton there is to be no thin, red line of heroes. His dictum is "Forces have to be disposed in great depth." After Dunkirk when the invasion peril was heavy on the United Kingdom, the Canadian forces rushed construction of new roads, thought up ingenious new devices to surprise an invader. Tribute came through the adoption of the main features of this defensive plan by the British War Office as an ideal of flexible defense.

For an army in battle McNaughton believes in the theory that the whole is much greater than the sum of the parts. To the sum of the parts there must be added co-ordination, correlation and co-operation before there emerges the whole instrument of victory. Before that three-ply dovetailing of details, voluntary working together, and rapid adaptation of general plans is possible, there must be weeks and months of painstaking training, of intelligent anticipation.

Special Report for June

Army — Foodstuffs — Farm Equipment

Vitamins For Victory— Army Meals Go Modern

—Canadian Army photo.

It isn't all "slum and gravy" for Canada's fighting forces. Good food, properly cooked is one of the most important factors in sustaining high morale. Army chefs are specially trained to meet rigid military requirements in the preparation of food for the troops. Answer to how good food is in the army is found in the fact that most recruits very shortly add solid pounds to their frame. Variety to keep the boys happy, vitamins to keep them fit is the basis of the army menu.

By IAN SCLANDERS

The lads who joined up expecting to have to subsist on bully beef, hard tack, and similar traditional items of fighting men's fare are being pleasantly surprised.

Grub was plentiful in the last war. This war it is not only plentiful but tasty. There is a new accent on cooking, plus emphasis on balanced diet.

Here, for instance, is a typical day's menu—

For breakfast—an orange, rolled oats, fresh milk, scrambled eggs, toast and butter, apricot jam, coffee or cocoa.

For dinner—bean soup, roast beef and Yorkshire pudding, oven browned potatoes, diced carrots, brown gravy, bread and butter, oatmeal cookies, stewed rhubarb, tea or milk.

For supper—bean soup, macaroni and cheese, crisp vegetable salad, cracked wheat muffin, chocolate bread pudding, tea or coffee.

It's been known for a long while that an army "marches on its stomach."

What was not known, until recent years, is that in addition to lots of food you had to have the right kind of food to get maximum physical efficiency. Not only that, but it had to be cooked the right way. Scientists found out that poor cooking could not only spoil the taste but the nutritional value.

Medicos who have made prolonged studies of fueling the human machine know a good deal more about calories and vitamins now than they did in the last war. Their experience was drawn on when the new scale of rations for the armed forces was established.

In addition it was determined that cooking for the men in uniform should not be a hit or miss affair. In the last war there were many cooks who might have been good plumbers or good bank clerks or good newspapermen but who were not good cooks. The powers that be resolved that this should not happen again—that all the cooks should really be cooks.

Soldiers in Aprons

Cookery schools were brought into being, and plenty of strapping volunteers, big rugged fellows from the lumber woods and the mining camps and the grain fields, were to be seen in white aprons, learning to make ginger bread and things like that.

Vital is the part they play in keeping the armed forces fit. And there's another aspect—morale. Wise officers say nothing wrecks morale quicker than meals that aren't pleasant. The outfit cursed with a poor chef will be full of grumblers.

An experiment made within the last year and a half served to underscore the value of proper diet and cooking. At a rehabilitation camp in Britain, 874 men previously rejected as medically unfit for military service were fed proper meals. At the end of four months, 792, or 87%, were so improved in health as to be classed as medically fit.

Along this same line it's estimated in the United States that 3.2 million man-days a month are lost through illnesses which proper diet would prevent, enough man-days to build two heavy cruisers or 448 medium bombers.

The new attitude toward cooking is indicated by the recent announcement of Lieut. Col. R. H. Webb, army director of messing and catering, that for the first time in history promotion up to commissioned rank is possible for army cooks with the necessary qualifications of ability, experience and personality.

Until recently the highest rank open to a cook in the field was that of sergeant. Now he has a chance of being raised to staff sergeant, staff sergeant cook instructor, and through the rank of warrant officer to a commission.

Already there are several messing and catering officers in the Canadian Army who have risen through the ranks in this way. Some are stationed at the Ottawa basic training centre, the army trades schools at Hamilton and London, the officers' training centre at Brockville, the Ordnance and Signals training centres at Barriefield, the Long Branch small arms school, and at Camp Borden.

Cooks and kitchen staffs are organized into shifts as much as possible so that the work is divided into equal burdens, and they are eligible for special trades pay after trade testing—a stiff exam.

The army hopes to enlist many professional cooks who have formerly remained outside of the service because of the relatively small prospect of promotion. Another hope is that men already in uniform will want to take up cooking.

In the case of air force messing something new has been added — a radical departure from service practice. A woman has been appointed as chief messing officer.

She is Miss Kathleen C. Jeffs, formerly head dietitian of the T. Eaton Co. at Montreal, which has loaned her to the R.C.A.F. for the duration. She is a graduate of the household science department of the University of Toronto, and has been given the rank of flight officer.

The air force is following through by the appointment of other women dietitians, who will be messing officers at various command headquarters.

Announcing this policy, an official statement said: "This important measure has been brought about by the keen appreciation of the R.C.A.F. of the value of scientific feeding in relation to the health of its personnel, particularly those whose duties in the air call for the very highest standard of physical fitness. The extent to which suitable feeding necessary to ensure perfect health is allied to medical research may not be generally recognized, but the R.C.A.F. is losing no more time in seeing that its personnel will benefit from modern dietetic and nutritional standards and from the best advice and ability in this field."

Eating for Sight

If the army marches on its stomach, the air force flies on its stomach. It's no military secret that certain vitamins step up night vision and give the night fighter a better chance in combat. Air force diet must also take into consideration the terrific strain of such manoeuvres as dive bombing, and the effect on the physical system of rocketing in a few minutes from the ground to an altitude of perhaps 25,000 ft.

Generally speaking the army food is the kind to "stick to your bones" on long route marches in all kinds of weather. The air force leans toward a somewhat lighter type of food, since heavy foods have been found to be not so good for men who are doing less marching and a good deal of flying. The navy diet ashore was drawn up with the idea of breaking men into the sort of meals they will have at sea, where it is necessary to fall back to a certain extent on foods which do not deteriorate quickly, such as preserved meats. This is not to say, of course, that Jack Tar doesn't get plenty of fresh vegetables, fruit and fresh meat ashore, and he gets them afloat too unless he's making a long voyage.

New Ration Scale

Just this month the army and the air force cut down on bread, meat and potatoes in favor of foods of higher vitamin content. One of the chief features of the new diet is an increase in the fresh milk ration. Grapefruit juice and fresh oranges were added to the old scale.

"It all adds up to nutrition," said Lt. Col. C. S. Jones, of the supply and transport branch of the Department of National Defense, a member of the standing committee on nutrition. "The increase in vitamin C is the main thing. The daily intake of calcium for each man has been increased too."

Ham has been added to the ration as an alternative for beef, a standard commodity.

Less Beef, More Milk

The former ration called for 14 ounces of beef and the same quantity of bread and potatoes daily per man, while the new ration calls for 12 ounces of each of these foods. The former milk ration was 10 ounces. It is now 15 ounces per day per man.

A comparison of the 1914-18 ration with that of the present day shows soldiers of the last war had a smaller variety of food but more meat, bread and potatoes. They got a pound a day of each of these, together with three ounces of bacon, two of beans and six of fresh vegetables. Allowances of milk, vegetables, fruit were far lower.

On today's ration list in addition to the staples you find such items as raisins, corn syrup, cocoa, prunes, molasses, honey, jam, cheese, rice, vinegar, salad oil, split peas, macaroni, spaghetti, tapioca and so forth—in short, everything a good cook needs to turn out most of the dishes in the cook book.

Proper feeding in wartime isn't important only in the armed forces. It's important for everybody, for all of us who are working harder, and under more or less of a strain.

You Should Eat This

Here's the minimum daily diet recommended for an adult by Dr. E. W. McHendry, head of the department of nutrition, school of hygiene, University of Toronto:

Three glasses of milk

Six slices vitamin rich bread (Canada approved or whole wheat) with butter.

One serving of meat or fish.

One egg.

One serving of potatoes.

One serving of green leaf or yellow vegetables.

One glass of tomato juice. (Fruit may be substituted).

One serving of vitamin rich cereal.

Dr. McHendry says there would be no nutrition problem in Canada if each citizen ate these foods in these amounts. However, they don't.

According to him, a third of the population in our cities shows signs of undernourishment—not, in most cases, because they eat too little, but because they don't eat the right things. He thinks this has a lot to do with the fact that only 56% of a group of 217,588 applicants for enlistment were found fit to be qualified as category A.

"It seems," he said not long ago, "to take a war to make nutrition front-page news and make us realize that national health is a vital economy and efficiency measure. When men and women are called upon to fight for their country, or to work for it on the home front, they have to be strong and well to stay on the job and make an all-out effort."

BATTLEDRESS

When Lieut. Gen. Kenneth Stuart, chief of the Canadian General Staff, visits a training camp there are no frills. He asks for no special parades, which interrupt training. Officers and men receive him in their working clothes—battledress.

CAMPS WELL GUARDED

"Everlasting vigilance" is the motto of the soldiers who guard internment camps in Canada and only one man has not been recaptured or shot resisting arrest. Only one German, a flier, succeeded in getting back to Germany. Later, he was killed on the Russian front. In contrast with the situation in Canada, hundreds of Allied troops have escaped from German camps, to return to their armies.

ALIENS CAN QUALIFY

Canadians may now become officers in the United States Army, under new regulations announced by Washington. The order applies to aliens of all co-belligerent or friendly countries. Formerly, only American citizens could qualify for commissions.

Soldiers' Parcels—New Outlet For Canadians on Home Front

Parcels by the tens of thousands are pouring overseas to the troops from friends and relatives.

A tribute to the convoy system on the Atlantic is the fact that most such parcels reach their destination. A Toronto firm, which does a tremendous business in packing and shipping soldiers' boxes, reports that its records show 99 out of 100 have arrived in good condition.

The weight of each parcel is restricted to 11 pounds gross but there is no limit to the number a member of the armed forces may receive. They are not liable to customs duty.

Many concerns sell ready-packed boxes which contain assortments of the goods most appreciated — goods the men don't get at all, or don't get in sufficient quantities, in Great Britain.

Some products are particularly favored. For instance, there is powdered whole milk, which contains the wholesome nutritive quality of fresh milk. It's light, non-perishable, easy to ship, and a fairly small amount goes a long way.

Evaporated eggs, also called powdered or dried eggs, are a favorite. Half a dozen eggs, powdered, fit into a small tin. The preparation can be used in many recipes. It's fine for scrambled eggs and omelets.

Fruit concentrates are very popular. Concentrated orange juice will take nine parts of water to make the equivalent of fresh orange juice. Grapefruit concentrate takes 11 parts of water to make the equivalent of fresh grapefruit juice.

Fighting men are fond of chocolate—solid and powdered for chocolate drink preparations. Some of the drinks combine chocolate, milk powder and sugar, and the soldier only has to add hot water to make excellent cocoa.

Coffee can be obtained in the same form, combined with milk powder and sugar.

For some time bacon was packed for troops with a covering of tar but this has been discontinued. Tinned bacon is now available and bacon with a new gelatine covering will be on the market in a couple of weeks. Trial shipments of this have already been made.

Baby cheddar cheese, waxed and wrapped so it keeps well, is included in many soldiers' boxes. So are bottles of malted milk tablets.

Canned sausages and canned meats of all kinds find high favor with the troops.

Typical examples are the soldiers' boxes packed by Michie & Co., a long-established Toronto firm which shipped scores of thousands of parcels overseas in the last war and is again making a specialty of the business.

Low priced box: 3 pkts. drinking chocolate, 1 pkt. cheese, 1 pkt. plain biscuits, 1 tin meat spread, 2 cakes chocolate, 2 pkts. gum.

Medium priced box: 1 tin orange concentrate, 1 box fancy biscuits, 4 cakes chocolate, 1 tin boneless chicken, 1 tin breakfast sausages, 1 tin orange marmalade, 1 tin butter, 1 baby cheddar cheese, 1 pkt plain biscuits, 50 cigarettes.

Higher priced (packed in two parcels): 1 tin boneless chicken, 1 tin cooked ham, 1 tin sandwich spread, 1 piece bacon, 1 tin chili con carne, 1 tin chocolate drink, 1 piece fruit cake, 1 box fancy biscuits, 1 tin soda biscuits, 1 baby cheddar cheese, 1 pkt. tea bags, 1 box wrapped sugar, 2 tins cream, 2 cakes chocolate, 50 cigarettes.

Throughout Canada firms are packing similar assortments for shipment to the troops. Most of them have made a study of what goods are really appreciated by the soldiers, basing their selections on correspondence with men overseas and on conversations with men who have returned.

Thousands of boxes are also being shipped from Canada to British prisoners, through the Canadian Red Cross. The foods these contain were recommended by Dr. Fred Tisdall, nutrition expert.

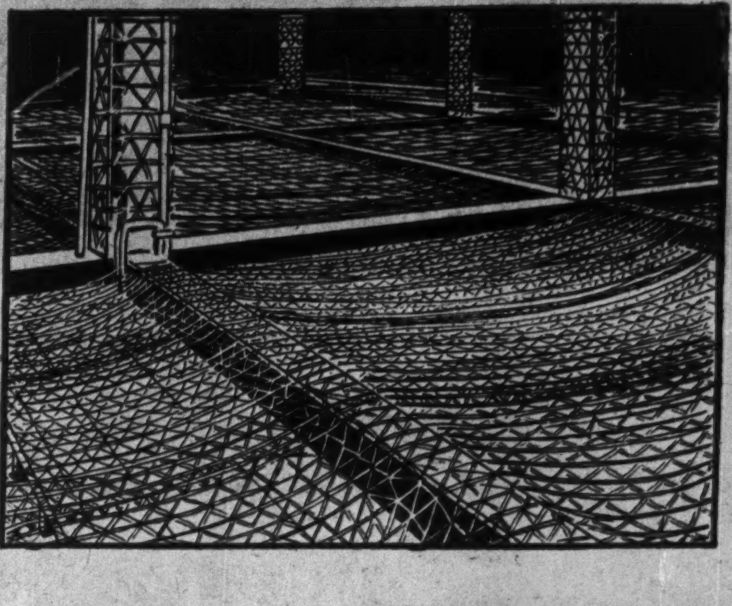
Here's what is in each box: 16 oz. whole milk powder, 8 oz. dried prunes, 16 oz. butter, 8 oz. sugar, 4 oz. cheese, 16 oz. jam, 12 oz. corned beef, 16 oz. pilot biscuits, 10 oz. pork luncheon meat, 8 oz. eating chocolate, 8 oz. salmon, 1 oz. salt and pepper, 4 oz. sardines or kippers, 4 oz. tea, 8 oz. raisins, 2 oz. soap.

Last year the Dominion sent 7,150,000 pounds of food to British prisoners, and it's expected that double this amount will be sent in the present year.

Another type of boxes go to British civilians, who may receive parcels which do not weigh more than five pounds gross or contain more than two pounds of any one foodstuff.

Highly favored by British civilians are such items as fruit concentrates, jam, peanut butter, powdered eggs, dehydrated fruits, dehydrated vegetables, dehydrated soups, tinned meats, powdered milk, bouillon cubes, tinned butter, prunes, chocolate, bacon, honey, flavorings, pudding powders, fruit peel, spices.

OJIBWAY REINFORCING FABRIC means FASTER CONSTRUCTION for CANADA'S WAR PLANTS



In many different weights—available for all types of construction. Easily and quickly laid, because it conforms readily to all structural shapes. For factory floors, airport runways, pavements, docks, sidewalks.

Look for the Indian Head to be sure it's OJIBWAY

CANADIAN STEEL CORPORATION LIMITED
MILLS OJIBWAY, ONT.
EXECUTIVE & SALES OFFICES WALKERVILLE, ONT.

-Write an Army Week Letter to
YOUR NEIGHBOR'S SOLDIER SON

Whether he is camped in the next county or fighting on some distant front, the neighbor boy in service would welcome a letter from you.

As a ten-year-old he may not have been the person you picked for praise. Perhaps he was not above swiping an apple . . . or inventing fresh devilments for Hallowe'en . . . or pitching a pebble at your prize rooster.

Let us hope that he was really a bit on the mischievous side. Let us hope so with considerable fervor. His daring and resourcefulness and accuracy of aim—now suddenly matured in the great cause—are what we are all counting on.

Write the lad a letter to make him less lonely—to show him that you know he is at work on a man's job.

This message furnished by Hiram Walker-Gooderham & Worts Limited, Walkerville, Ontario

How a Canadian Infantry Division is Made Up

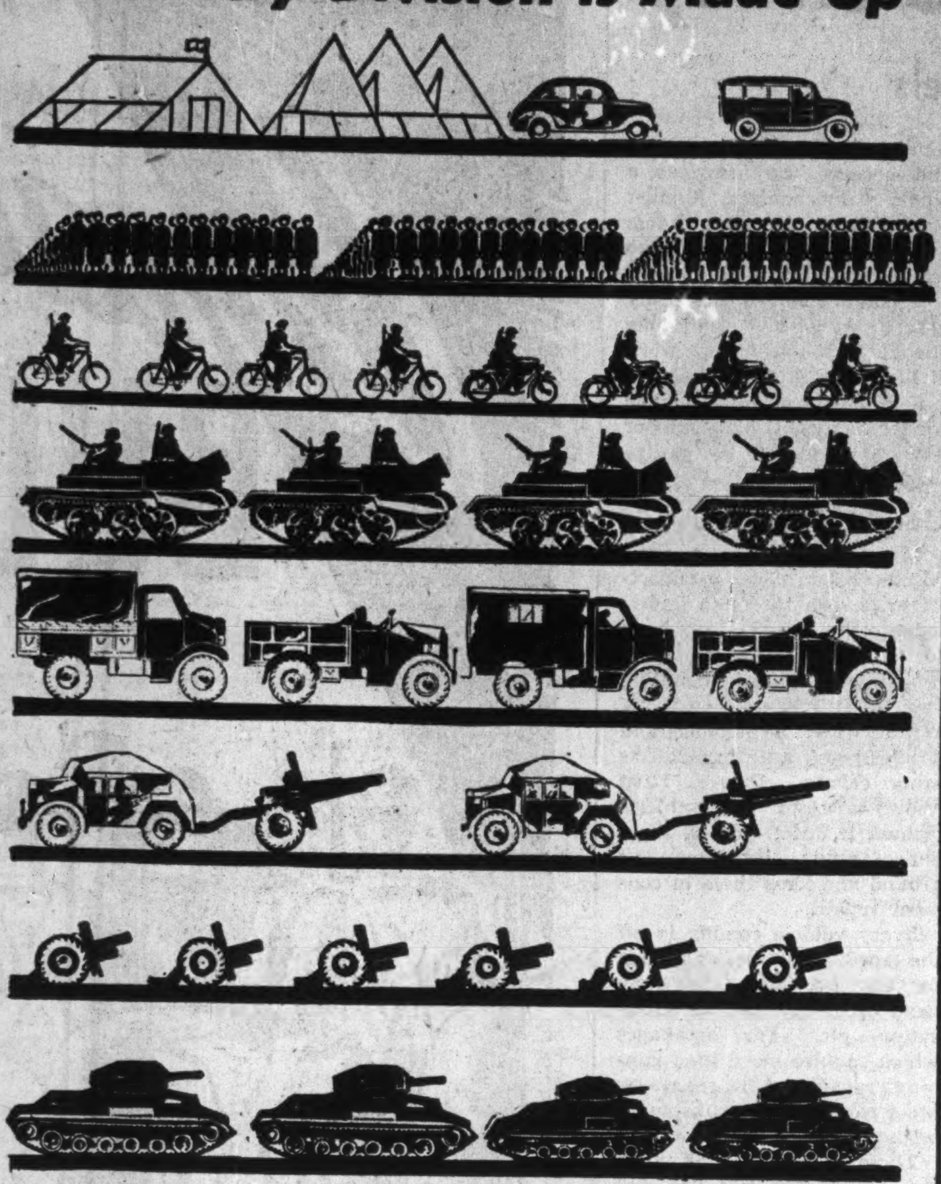


Chart by The Financial Post

Canada Builds a Better Bullet

Out around Canada's bullet factories they are beginning to paraphrase a motorcar slogan. What they say with pride and justification is this: "When better bullets are made, Canada will make them."

Better bullets are being made and Canada is making them.

Like most phases of Canada's war effort bullet-making had to start pretty well from scratch. The old Lindsay arsenal, relic of the last war, had closed down. About all we had retained in working trim was the historic Quebec arsenal on Palace Hill, Quebec City.

More and Better

Today we are on top of the bullet heap. In quality, in diversity and in economical production Canada has no superiors, few equals.

Take the matter of diversity. Traditional British bullet is the .303. Canada is making six types—in all, more than 80 million rounds a month. As well, we now make four other types of varying calibres.

We will add perhaps a dozen new "lines" this year including the biggest "small" ammunition in modern war—the 20 mm. cannon bullet, six or more inches in length, which spits out of the new Hurricane fighters and will shortly be in production. This country will soon be almost entirely "independent" in respect of its small arms ammunition.

The definition of small arms ammunition, by the way, is anything up to and including bullets one inch in diameter. The 20 mm. cannon bullet just gets within that category.

Quality Comes First

Then take the matter of quality.

It is reported that Canadian bullets are preferred by service units—especially by airfighters whose standards are even tougher than that of the ground services. The reason is absolute uniformity, million after million. Quality in ammunition is not so much doing things better than any one else but meeting rigid service tests day in and day out—not varying in any particular by so much as a hair's breadth.

One reason for this is the care taken in choosing staff. Canada has pioneered in aptitude tests. At one big plant only one out of 12 applicants for jobs is accepted. All are put through scientific tests to determine ability, speed and general aptitude.

In the matter of costs, Canada is still "going places." Not long ago we were offered some U. S. ammunition at "cost." The figure was more than a third higher than the corresponding price at which Canada was selling an almost similar product. On a cartridge which forms the large proportion of Canadian output, production costs have actually been cut 50% below prewar figures. Even this figure is being reduced to some degree.

Apart from technical developments, one striking fact is the enthusiasm and zest which Canadian workers—especially womenfolk—are putting into their jobs. This has not only helped reduce costs but has paved the way for production records far exceeding "rated" plant capacities.

Nucleus of Canada's small arms ammunition production is the plant and equipment at Quebec City, formerly operated by the Department of National Defense as Dominion Arsenals.

On October 1, 1940, these were taken over by the Department of Munitions and Supply and placed in the hands of Col. D. E. Dewar, now Director-general of the Arsenals and Small Arms Ammunition branch of the department. Today they employ upwards of 10,000 workers. Between 5,000 and 6,000 are employed at two huge war-spawned ammunition plants of Defense Industries Ltd., at Brownsburg and Verdun (both in Quebec province).

One of these plants now melts and rolls brass at a prodigious rate — something like 50 million pounds a year. There too, is a complete plant for forging "job lots" in sizes ranging from 25-pounder to 4.5 inches. Many of the "bugs" in this new and revolutionary process are being ironed out there. Some other interesting operations at this plant include the refinishing of discarded shell of acceptable sizes.

Biggest small arms ammunition plants outside the Dominion Arsenals are two D.I.L. properties with combined payroll (still steadily mounting) of from 5,000 to 6,000. One of these plants produced military ammunition in the last war and had, as well, a splendid record in producing commercial ammunition. Today its line includes the guiding "tracer" bullets and other types not previously attempted in Canada. At this same location, another plant was added and the first cartridges produced in early Sept., 1940. Production reached full capacity in April, 1941. Since then, these two have turned out several hundred million rounds of .303 as well as more than a hundred million rounds of other types. Together they now make as much ammunition in two months as the original plant did in the entire 1914-18 conflict. Tracer production started in a third building in April, 1941. Eventually the entire production of these plants will be of this type of bullet.

Latest published information reports Canada turning out 10 types of cartridges of four different calibres—.303, 30/06, .22 long and .38. New capacities are being created for production of a dozen or more additional types of .303, .50, .55, .45, 9 mm. and 20 mm. Current capacity of 100 million rounds a month is rapidly being surpassed and important new additions to Canada's small arms ammunition plant capacity are expected to be announced shortly.

AN ARMY EVERY CANADIAN MAY WELL BE PROUD OF

◆ Crouched and poised, with disciplined impatience, waiting to pounce at the enemy, is Canada's great army which will form the spearhead of that decisive offensive just about to be—"a dagger pointed at the heart of Hitler."

That something, that the vastness and ruggedness of this great country imparts to men who have still a strong strain of pioneer blood in their veins, has made possible the mustering of an army unsurpassed for physical fitness, and which in mental mould and moral might is the most magnificent that has ever set forth to defend the freedoms and uphold the honor of this young and virile nation of ours.

We, of Massey-Harris, are naturally proud that many from the various divisions and branches of our far-flung organization are serving in the ranks of this great army. It is gratifying, also, that the thousands in our several plants are permitted to play an important part in providing the machines and munitions so essential to the success of that army in modern mechanized warfare.

And the great Canadian Army which has, as our Minister of National Defence says, "a larger proportion of armored troops than any army in the world," will be a decisive factor in hastening the day of victory.

MASSEY-HARRIS COMPANY LIMITED
THE SERVICE ARM OF THE CANADIAN FARM

Greetings to the Army from Westinghouse War Workers Across Canada

R. C. A. S. C.—Army's Public Utility

Service Corps Means Food and Transport in a War on Wheels

By D. G. MACLEAN

"For what we have received and are going to receive, here's to the A.S.C."

These lines under a London Punch cartoon in the last war, showing soldiers eating in a trench, illustrate one of the two main functions of the Royal Canadian Army Service Corps, the supply of food for the troops. Its other chief function is to provide transport for the army, ensuring its mobility complete with all it needs for subsistence and efficiency.

In the one case it is the chain food distributor of the forces. It also supplies fuel, gasoline, motor lubricants and disinfectants used by the forces in the field.

In its transport function, the Corps acts as a public utility, transporting supplies and materials of all sorts. It carries the troops and provides drivers for ambulances to evacuate the wounded, supplies both freight and passenger transport.

—Canadian Army photo.

Behind the action line there must be a swift-working, efficient organization to see that materials get where they are intended to go on time. Big branch of the Army's "shopping service" is the Army Service Corps which buys all the food the military requires. Just as important as buying is the Service Corps' job of delivering that material. As Canada's army has expanded many fold as its activities have spread over the Dominion and beyond, the Army Service Corps has met many new knotty problems. Trucks supplied by Canadian manufacturers have played a basic part in the Corps' transportation activities.

Fighting Utility

As its name implies, it is primarily a Service Corps. But it is a fighting unit as well.

Because food supplies are so vital to an army, belligerents are anxious to disrupt each others' supply and transport services. Supply columns or depots are favorite targets for bombing, shelling or by direct assault.

The Army Service Corps must be prepared to defend itself and its personnel, know how to handle a rifle and bayonet. In the present war the light machine gun and anti-tank rifle supplement the older weapons. Apart from the infantry, there are probably few other branches of the service better trained in direct combat methods.

Responsible for two such important phases of army operations as supply and transport, there is no place in army work where the Corps does not play a part. From the recruiting depot to the combat zones, it may be found, feeding, transporting, fighting when necessary. While its objectives, supply and transport, are always the same, its methods of operation vary greatly according to locality and conditions under which it works.

Work in Canada

Take the supply work of the corps at home in Canada first.

Its first actual job is as a purchasing agent. The army has already established its scale of rationing, worked out by diet specialists and designed to keep the troops fit. The A.S.C. is the organization which assembles, distributes and accounts for this food and the other supplies for which it is responsible.

Contracts for the needs of each military district are let by the Department of Munitions and Supply at Ottawa. These contracts set the quality of the goods to be supplied, name the price and the conditions of delivery. Notification of the contract comes down through the "Q" (Quartermaster-General's) branch of the army to the Director of Supply and Transport at Ottawa. He is also the officer administering the Army Service Corps.

Complex Routine

He passes the contract on to the District Supply and Transport Officer in each of the military districts, the responsible head of Supply and Transport Services in the area. Under him is the district supply depot where products are assembled and then distributed to different units under the D.S. & T.O.

A supply officer is in charge of the detailed work of the depot. He has a staff of clerks, issuers, butchers, bakers, etc. When necessary he may go outside the contract to purchase needed supplies unobtainable otherwise, by Local Purchasing Order.

In addition to supplying the Army, the Army Service Corps also supplies the Royal Canadian Navy and the R.C.A.F.

The quartermaster of an individual unit, say an infantry battalion, estimates three days in advance what his requirements will be. He then makes out a written demand on an official form known as an indent, showing the number of officers and other ranks for whom food is required, the quantities of food of different kinds wanted. If alternatives are required they are indicated on the indent.

These indents are taken to the supply depot and the depot staff, just as in a wholesale food store makes up the quantities required. Groceries and less bulky items are put together in a stall on the counter. Meat, bread, etc., which might be injured by exposure to the air, are kept in coolers or under cover until actually issued.

Call and Deliver

The following day the trucks call at the supply store, load up the rations which are then delivered to the units. Normally a representative of the unit is on hand at the supply store and takes over the supplies there although the transportation is supplied by the Service Corps.

The conditions of contracts call for first quality of the various products. Beef to satisfy army requirements must be from young steers or heifers. It should not be too fat or too lean. Beef from old cows, bulls and oxen, and veal are taboo for army rations. To give troops a change, mutton may be served once a week. It must come from young, well-fed sheep. Ham and fresh pork may be served once a week each. Other alternatives include preserved meat and fish.

In recent weeks it is understood, owing to the beef shortage, supply officers have been authorized to accept cow beef, but it must be of good quality.

Quality First

It is the responsibility of the Army Service Corps supply officer to see that necessary quantities of required food products are on hand when required. Prices are usually established by contract. But the supply officer is responsible for seeing that the contractor keeps his part of the contract by supplying the grade of products required.

He should be able to tell good tender meat by looking at a quarter or side of beef. For instance, the absence of cartelage on the bones of the spinal column may indicate the animal is too old. Color and texture of meats are further guides. To be able to tell good meat from bad takes experience and training. The supply officer has one or more skilled butcher N.C.O.'s to help him, but he is responsible.

Vegetables and fresh fruit must be firm, sound and of good quality. Butter and cheese must be a standard grade. Contractors have occasionally been known to try to put over poor quality meats, butter or other products on the army. If the supply officer cannot get the grade of product he wants from the contractor, he is authorized to buy outside, charging any loss incurred to the army contractor. Trouble of this kind is uncommon.

The men who actually do the work in the supply depot are as far as possible skilled in their work. Grocery clerks when obtainable are used in the grocery stores, skilled butchers in the butcher shops. If bread is not supplied on contract by a baker, it is made by skilled bakers in Army Service Corps bakeries.

Too much emphasis cannot be laid on the fact that defense headquarters want the men well fed.

The Army Service Corps does not cook, nor is it responsible for cooking in individual units. That is a regimental matter. But to help the different units feed their men properly, the Army Service Corps conducts a cookery school where regimental cooks can be sent for training.

The supply officer orders his requirements from the contractor on a special requisition form. Delivery, like the issue of rations, is made at set hours. The supply depot is equipped with necessary coolers for keeping meat and vegetables and other things which have to be protected from heat. It is also usually equipped with counters where the supplies for each unit can be stored awaiting delivery. In an up-to-date depot, the trucks can drive in, to load and unload under cover.

Once the army takes the field, supply work is more a matter of distribution and transport than purchase. The supplies are bought by the A.S.C. in large wholesale quantities in home areas. These supplies are assembled by the shipload at base supply depots. There the large quantities are broken down into smaller lots according to the division or other field formation, and these divisional lots are later broken up into battalion or smaller units. Theory is that three days rations are always in transit between the advanced base and the unit. This in addition to rations actually carried by the man. To supplement the regular supply lines, small field depots are usually established along the lines of communication. The work of distributing the supply in the field is done by mechanical transport columns of the Army Service Corps, which carry supplies from railhead to the unit in the combat zone.

Army Ticket Agent

Recruits in the army make contact with the A.S.C. almost as soon as they are enlisted. After being interviewed and medically examined, attested, etc., a recruit is carried to the district depot in an Army Service Corps truck. When he goes to the basic training camp, his transportation is arranged by the District Supply and Transport Officer.

If going only a short distance, he will likely travel by truck or bus provided by the A.S.C. If he goes by train, arrangements are made by the D.S. and T.O. of the district with the railway.

For the comfort of the men, trucks or trains for troops must be carefully inspected. When troops are travelling by train, a representative of the D.S. & T.O. inspects every car, sees that they are clean and comfortable with a plentiful supply of good drinking water, etc.

Cars must be in good condition and weatherproof. When the troops go to other camps, the same procedure is followed. When cars are left at the destination, they are again inspected to ascertain their condition in case a claim for damages should be made later on. When troops go overseas or to a distant point, arrangements for railway or ship transport are again made by the A.S.C., which also provides for food supplies during the journey. Entraining and disembarking arrangements are all a part of the corps' work.

In Canada, the transport operations of every military district come under the District Supply and Transport Officer. He is assisted by other transport officers, the number varying according to the size of the district and the work to be done. He is responsible for movement of troops, supplies, fuel, gasoline, baggage, arms and ammunition, etc.

In addition, the Army Service Corps transport units may be called on to assist regimental transport when necessary.

Work in the Field

Once arrived in the field the transport work of the Corps varies much according to the type of warfare. In South Africa, in a war of movement, the Army Service Corps had to transport supplies for long distances under unfavorable conditions, extreme heat, bad roads and constant attack by Boer Commandos.

In the last war, railways were used to a much greater extent and roads as a general thing were fairly good except in forward areas. Enemy attacks were a factor until the war settled down to trench warfare, when it was possible to organize more on the lines of a business distributing organization. Under trench warfare, the A.S.C. was not subjected to infantry attack but got plenty of shelling and bombing in the effort to disrupt supply lines. Under present conditions of moving warfare and because the army as a whole is mechanized, it must be prepared for long hauls over all sorts of country, be ready for constant attack.

Mechanization of the army has brought considerable change in the transport work of the corps in the field.

Few horses are used. The farrier sergeant and saddler have given way to the garage mechanic.

Corps of Experts

Every man, non-commissioned officer and officer is expected to have a thorough knowledge of his job. Drivers have to be good. The need for economy and care in handling vehicles is impressed on them. Wilful waste, negligence and recklessness are treated as army crimes. Drivers must know how to get vehicles righted if upset, getting them out of mud holes, bogs, soft ground and keep them in constant repair.

Every vehicle coming in off the road must be examined for any breakages that may have occurred, need of lubrication, etc. For breakages which require more than running repairs, A.S.C. garages are a part of the establishment of the corps.

These primarily look after the corps' own vehicles and certain vehicles of other units. They are distinct from the ordnance garages which serve the bulk of army vehicles other than those of the A.S.C.

One of the mottoes of the corps is "keep moving." Whether roads are good or bad, under fire or direct attack, drivers must keep ever before them, the need of delivering the goods on schedule.

It is a matter of record that in the last war, in spite of motor lorries and horse transport units often being under heavy fire, the supply service never failed.

Changing Trend

Mobility counts more than ever in war and the Army Service Corps stands for mobility. In addition to transporting ordinary supplies, that of ammunition has added considerably to the responsibilities of the corps. A.S.C. officers must know every type of shell and ammunition for all types of field guns carried. More recently, tank transport sections have been organized to move tanks when they are wanted quickly in another area, faster than the tank could move itself.

Present speed with which armed units move demands that they be self-contained when they do move. This requires that almost every fighting unit be equipped with adequate supply and transport services as part of its regular organization. The growth of the corps in the present war has been enormous.

History of the corps, under different names, goes back almost to the beginning of the British army. Several hundred years ago in Britain, it was known as the Royal Corps of Waggoners. It was also known at different times as the Military Train, the Land Transport Corps, and the Commisariat-Transport Corps. One of the first recorded instances of the supply and transport section of the army is found in the campaign of Edward III in France in 1346. The Black Prince used his transport waggons to strengthen an exposed flank, a frequent procedure of later wars.

Working in close co-operation, a thorough knowledge of army organization is an essential requirement of every A.S.C. officer.

There is a tendency to confuse the Army Service Corps with the Ordnance Corps.

Both are Departmental Services, but the fields of the two are quite distinct, although complementary and in some cases touch closely. While the work of the ordnance is to maintain and repair and supply everything in the army from boots to binoculars or artillery, it has nothing to do with the food supply.

If you want blankets or uniforms, haversacks, rifles or water bottles, you get them from the ordnance. If you belong to an infantry battalion or a tank unit and want a truck or tank or machine gun repaired, you send it to the ordnance.

But if you want food or other supplies such as gasoline, fuel, etc., or if you want ammunition brought up or if you want to move your whole battalion, you go to the Army Service Corps. The Ordnance, like the A.S.C., has trucks but these are for its own purposes, not for general service to the army. The two services cooperate, each in its own sphere to make it possible for the infantry to do their work in capturing and holding positions.

Canada's New Stamps Depict War Effort

Three photographs of King George were flown to Canada for the new issue of postage stamps now being distributed to postoffices across the Dominion.

The new one cent green and the five cent blue show the King in naval uniform, the two cent brown shows him in army dress and the three cent red in Royal Air Force uniform.

A picture of ships loading wheat on the Great Lakes was chosen for the four cent grey stamp and the eight cent sepia will show a Canadian farm scene. The Parliament Buildings at Ottawa are shown on the ten cent brown stamp. A Canadian army tank is on the 13-cent dark green denomination and the 20-cent brown shows a Canadian corvette ready for launching. Twenty-five pounder field guns being passed for production purposes in a Canadian munitions factory are on the 50-cent purple stamp and a tribal class destroyer in the Royal Canadian Navy is on the $1 blue stamp. The 16-cent violet blue air mail and special delivery stamp shows a Trans-Canada air mail plane in flight.

PROUD OF OUR ARMY

Next week is Army Week. Seven short days to demonstrate our pride in the boys in khaki. Now, as Canada girds for battle, we look with faith to these men . . . firm in the belief that they can finish the job. The Canadian Army has an enviable tradition. It will not diminish in this war! Make next week a reflection of your pride in the Army. Decorate for, entertain, visit the men in uniform. It is the least we can do for those whose sacrifice is so great.

Burlington

BURLINGTON STEEL COMPANY LIMITED

HAMILTON - ONTARIO - CANADA

Farmers Face New Problems And Strike New Crop Balance

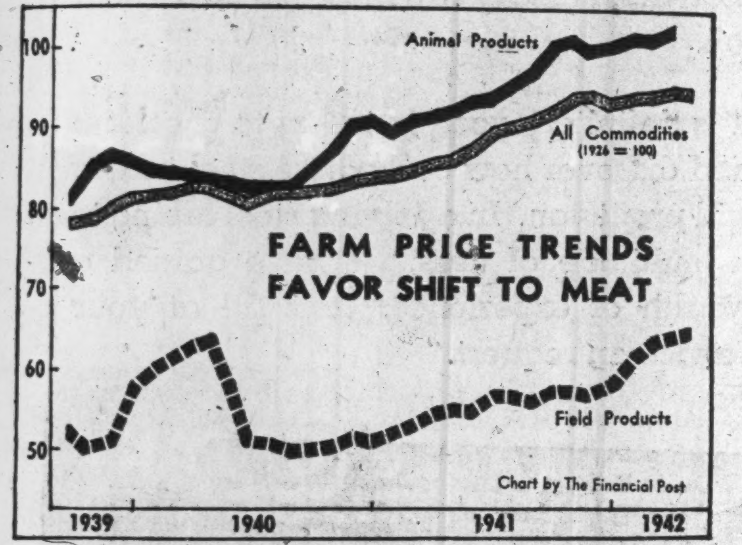
Canadian agriculture has been drastically re-shaped to meet this new type of war. All the emphasis is now on concentrated foods, with wheat, which led the parade in all previous wars, pushed into a secondary position. Dunkirk marked the end of a certain military era for the British Empire. It also meant a turning point for agriculture.

Prior to the British retreat from the European continent, Canadian farmers believed their role would follow the pattern of the first Great War. We would be the bread basket of Britain and her allies and the neutrals of Europe. We would supply some concentrates, of course, largely bacon, and cheese, but the great bulk of these, as during normal times, would continue to flow to Britain from Denmark, Holland, New Zealand and Australia.

Dunkirk Ends an Era

Dunkirk meant the end of that policy. Continental Europe was overrun and with that tragedy there disappeared for the Canadian farmer a huge secondary market in Belgium, Holland and France for wheat.

Of equal importance, though not so immediate in results, was the wrecking of the intricate agricultural machine in Holland and Denmark. Before Hitler entered these countries their normal practice was to import stupendous quantities of feed grain from the United States and the Argentine. Then via cow and pig they would manufacture it into cheese, butter and bacon for the British market. That 75-year old business came to an abrupt stop in the spring of 1940. Shortly after, too, the not insignificant domestic production of these products in Britain began to decline, because of import restrictions on livestock feed.



Late Changeover

By this time, unfortunately there was no time to make quick changes in Canadian agriculture. The crops had already been sown on the basis that Britain would largely want wheat. And so the Canadian wheat acreage of 1940 touched a new high. By the fall, however, farmers had begun to expand to bacon and cheese, two products that Britain needed badly and of which, unlike wheat, there was absolutely no surplus supply.

Agricultural production, unlike that of many other kinds, cannot be turned on and off at will. Especially is this true of the more concentrated products, such as bacon, beef, butter, cheese, hogs and poultry products. It takes at least a year to begin to step up output of hogs or eggs, three years to do the same with beef. Before farmers can produce milk or cream, the raw materials for cheese and butter, he must have the cows to give the milk and the fodder to feed the cows. With more feed and more care he can get his existing herd to give a little more milk, but for real expansion he must raise calves to the milking age and this means two or three years. When these bare facts are realized, then it is not so difficult to understand that gains of 5% for concentrated agricultural products in a single year are very good and Canadian farmers have done better than that.

Detailed figures, of course, will not be available for some time, but a few concrete examples show emphatically the new trend. Wheat acreage in Western Canada has been reduced 20 to 25% from the record levels that prevailed at the start of the war. The land taken out of this bread cereal has been turned over largely to coarse grains, barley and oats, and the harvest of those crops fed to hogs and dairy cows to produce bacon and cheese for Britain. In Alberta hog population has trebled in three years and substantially increased in nearly all other provinces. Exports of bacon from all Canada to the British Isles have been increased three to four times prewar. Some of this gain, it is true has been made at the expense of home consumption but the bulk of it is due to new production since the war.

More moderate, but still substantial, gains have been made in cheese, largely from Ontario and Quebec. Here the former practice was to use late spring, summer and early fall produced milk only for cheese production. Now many factories are busy the year around. In eggs, which are largely dried or canned and exported in this concentrated form to Britain, increases have also been very large since the war, and there is a considerable expansion in beef and canned milk.

Fat Shortage

The entry of Japan into the war brought another sweeping change. Hitherto Canada had depended for its vegetable fats largely on imported oils from the East Indies. Jap conquests last winter soon altered that picture.

Farmers were asked to divert wheat land to flaxseed, a product once used almost entirely in the manufacture of paint but which could also be used to produce edible oil. The modest prewar acreage in Canada will probably be doubled this year and while the output of oil from this will still fall far short of requirements it will be most welcome. To further increase the fats or oil supply the minimum weight for top priced hogs has been raised.

In all this wartime diversion the official programme has confined itself necessarily to emphasis on broad principles only. Canadian agriculture was told what was most needed to win the war and what we could afford to decrease. Aside from certain definite contracts with Britain, the 618 million pounds of bacon, 125 million pounds of cheese and 30 million dozens of eggs this year were the three most important, farmers were left to work out their own plans. They were told that there were practically no limits on concentrated foods like bacon, cheese, butter, milk and beef, but that there would be very definite limits on wheat, apples, tobacco and similar products. Of these we either had already a heavy surplus as in our 400 million bushel carryover of wheat, or they were not wanted to crowd vital and scarce shipping space to Great Britain.

There was little mention of specific amounts of production, aside from the quotas mentioned, because the authorities realized as did the farmers that aside from the all-important factor of weather, much would depend on the capacity of each individual farm plant.

Farmers Decide

Individual farmers, knowing their own soil, and climate and also knowing what labor and machinery they had or had not available, would have to judge where they best fitted into the national scheme. So far, aside again from weather, scarcity of labor is proving the greatest obstacle. It was not by chance that pioneer farmers in Eastern Canada and practically all of the West up to a few decades ago, specialized in grain. For the tonnage raised this required a minimum of labor whereas concentrated products absorb the most.

As to what will happen to this new war expansion after the peace, almost everything, observers agree, depends upon the position of Denmark. That country was the British Dominions' chief rival for the British market, it was the major import source of Britain's bacon, butter and eggs and an important supplier of cheese. If Denmark comes back into the picture again after the war, without some general and drastic reshufflement of world markets, then there promises to be unusually severe competition for the dairy and livestock farmers of both eastern and western Canada.

Increasing agricultural production on the home front has been one of the outstanding jobs of the British farmer. His big problem, however, has been to find sufficient labor to harvest his heavy new crops. To help the hard-pressed British farmer the Canadian soldier has stepped in, grabbed pitchfork and plough. To many of the lads this job is like going back home to the farms they left behind.

Many are Forty-nine But Few Reach Fifty

Members of the Veterans Guard are often called—particularly among themselves—the "Forty Niners." That's because top age for enlistment in the Guard is 50. For some strange reason, very few ever quite reach that age.

The basic requirement for admission to the Veterans Guard is that a man must have served the King in the last war. This, of course, excludes men who fought in other branches of the allied forces — such as the Russian and French armies. In spite of this the guard includes men of every nationality, because so many of these fought with one of the empire countries during the last war. There is one whole platoon made up of Ojibway Indians and men of the Six Nations and various other Indian tribes are in units all over the country.

The only distinction between the Veterans Guard of Canada and other branches of the army is on the point of age.

They enlist for duty anywhere and their one big hope is to get into the thick of it soon. Because they are too old for other branches of the army they are confined to certain types of duty, which happen at present to be more plentiful in Canada than elsewhere. There are, however, several units of the Veterans Guard overseas at present.

Those who enlist in the Guard must pass the same medical examination as the younger men take. The only allowances are those made for the difference in age. However, these old veterans are determined to get in. They are smart too. A great many who had softened up since the last war, and were beginning to develop what might be described as a paunch, went through a good spell of reconditioning before they even applied. Then, fit at 49, sound in wind and limb, they turned up for examinations and passed with flying colors.

The Veterans Guard was formed with the definite idea of profiting by the experience of men who had fought in the last war.

These men knew their enemy of old. They also knew war. They knew what the younger men would have to face. They had spent weary weeks, months and years slogging it out in the trenches. They knew, too, that a great deal of the most important war work is drudgery, that unpleasant jobs must be done.

"Write Us Often" Fighting Men Ask

The call, "Mail's In," brings the boys running even faster than "Soup's On." And officers overseas say nothing is more important to the morale of their men than letters — and parcels—from home.

To maintain postal service to the armed forces, a highly specialized organization has been set up in the Postal Corps, a branch of the Canadian army, whose members are mostly volunteers from the country's postoffices.

Men of the Corps are serving both in this country and overseas. In Canada the chief activity is the operation of the Base Post Office and Sub-base Post Office, as well as field post offices. Overseas it provides postal service to the Canadian Army and the Royal Canadian Air Force.

All mail addressed to the Canadian Army overseas is concentrated at, and dispatched by, the Base Post Office Canada; the mails for soldiers and airmen serving in Canada being transmitted to the camps by the civil postal service.

The vast battle now raging across all continents and oceans is being decided not only with guns and bombs but also with factories, fleets and railroads. These great implements of total war — ships, planes, trains, industries — must be protected against the elements as well as against the foe. Here International Paints, a world-wide paint organization, is proudly in the forefront of Service, being a foremost supplier of paints and finishes to Allied railroads, industries, and to Allied fleets, civil and military, on sea and in the air.

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International Paints (Canada) Limited
HALIFAX · SAINT JOHN · MONTREAL · TORONTO · WINNIPEG · VANCOUVER

EVERY week is Army week . . .
AT HARVESTER

ARMY WEEK
June 29—July 5
★

IT IS ARMY WEEK! Seven days proclaimed to honor Canada's soldiers, nurses, CWAC. A week when the people of Canada give a rousing salute to the men and women now writing a new chapter in the distinguished record of Canadian arms.

In this observance—and in the tribute paid to the Canadian Army—International Harvester most heartily joins. It is well deserved appreciation and recognition; Canadians are proud of their Army and they want its personnel to understand.

Army Week—and *every* week—International Harvester's resources are actively giving solid support to the fighting forces, in three vitally important phases of the war effort, in addition to its traditional service to Agriculture.

Forging the Sinews of Victory

From our plant in Hamilton flows a steady stream of steel forgings for anti-aircraft and anti-tank guns of various types, for Wellington Bombers, for bomb throwers, gun carriages, artillery trailers and tanks. We're making malleable castings for Bofors anti-aircraft guns, army motor vehicles and other types of war equipment. And we're machining armor-plate and supplying complete malleable track for the Universal Carrier, and manufacturing complete armoured hulls for a new type of military vehicle.

Manufacturer Turns Teacher

When the Army needed schools for instruction in maintenance of all of the varied motorized equipment of modern warfare, International Harvester was ready. We had expert instructors, data, tools, machinery, and 13 branch houses ideally located from coast to coast for instruction centres.

Thirteen hundred officers and other ranks have been trained in the sixteen months since the first school opened. They are in charge of practically all types of the Army's motorized equipment. They know their machines inside and out—how to keep them running, how to direct others in making repairs, in the field if need be.

Salvage for Victory

When the urgent need for getting in scrap metal became apparent, International Harvester again was ready. Through its far-flung organization it became the instrument for recovery of tens of thousands of tons of scrap lying useless in the barnyards and fence corners of Canadian farms, and now being converted to strength and power for the Armed Forces.

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Every week is Army Week at Harvester. Our single objective is to help Canada steer her sure course toward Victory. Ours is another demonstration of the strength of business and industry, organized to do a job in the spirit of free enterprise—a job in defense of the Canadian way of doing things that will out-produce, and defeat, its Axis enemies.

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Modern Equipment Helps To Defeat Growing Farm Manpower Shortage

By A. D. ELLWOOD

Last year there were $50.1 millions of farm implements of all kinds sold in Canada. This is the highest volume since 1929 and since 1920 has only been exceeded three times.

But for 1942 the outlook is hardly such as to encourage expectation that a new record will be established.

Reason for the doubtful prospects for 1942, in spite of growing farm income and labor shortages — two prime factors that ordinarily would account for record sales — is war. Farm implements use large quantities of iron and steel, copper, lead and many other materials now classed as essential to the war and in inadequate supply.

H. H. Bloom, formerly special assistant to the president of Massey-Harris Co., has been appointed administrator of farm and road machinery and municipal services under the Wartime Prices and Trade Board. In January this year he issued an order restricting manufacture and importation of farm implements to various percentages of the actual 1940 consumption in Canada. Remember that 1940 was a year of reasonably good sales volume for these products but about 5% below 1941.

For the period Nov. 1, 1941, to Oct. 31, 1942, each manufacturer or importer is allowed a specified percentage of his 1940 sales volume ranging from 50% in potato planters to 200% on milking machines and cream separators.

Shortages of materials may not permit manufacture of even the restricted amounts which the W.P.T.B. order would allow. This order sets maximum amounts but gives no guarantee that the maximum will be reached.

James S. Duncan, president of Massey-Harris Co., summarized the 1942 outlook at the end of March as follows:

"In visualizing the trend of your company's business in 1942, not only the usual factors of crop and economic conditions must be given consideration but also factors of paramount importance such as availability of raw materials, maintenance of foreign markets, import and export restrictions, price ceilings, war requirements, etc., all of which almost completely escape the control of the company.

"On the other hand, it should be recognized that to some extent, the uncertainties surrounding the factors referred to above are offset by the fact that the standard products of your company have been considered, up to the present time, as important to the war effort, and that an ever-increasing proportion of our energies is being devoted to the production of war supplies.

More Milking Machines

The war has brought some widely varying changes in demand. Last year, for example, 3,348 milking machines were sold in Canada. In 1940 there were only 1,190. The maximum number that can be sold in the year ending Oct. 31 next will thus be 200% of 1,190, or 2,380 milking machines, still almost a third under last year's actual sales.

In cream separators, however, last year's sales totalled 32,184 units, 25.5% greater than 1940's unit sales of 25,649. But this year regulations will permit the sale of 200% of 1940's total, or 51,298 units, well above last year's total.

Take the case of wheel-type tractors, all of which are imported from the United States. In 1941 Canadian farmers bought 20,398 tractors of this type, accounting for about 40% of the total dollar value of all farm implements sold. This 1941 volume in units is actually 1.8% less than 1940's 20,762 units. But for 1942 the quota has been set at 78% of 1940's level, well below last year's actual sales.

Restrict Credit Terms

Another major restriction on farm implement sales under W.P.T.B. control is the requirement that at least 40% of the purchase price must be paid in cash and the balance paid in not more than 24 months. For western Canada this marks little change in prevailing practice but for eastern Canada it means a substantially greater down payment. How this will affect sales volume is hard to determine but, because of greater buying power, its effect may not be important.

Restrictions on the industry's normal production have been determined in line with similar restriction in the United States. In 1940, imports of farm implements, practically entirely from the United States, totalled $30.7 millions. Canadian production had a value of $22.6 millions at the works and exports amounted to $9.6 millions. This explains why Canada's farm implement restrictions must parallel that of the United States.

One result is that the makers, importers and their agents throughout the country have to turn themselves more and more into an informal rationing agency to make the supply go around. There will not be enough implements available to supply all that Canadian farmers might want but there should be enough to enable them to handle their vital job of supplying food for Canada and her Allies.

World Wide Use

A recent booklet published by Cockshutt Plow Co., in addition to showing illustrations of many Cockshutt machines working on Canadian farms, also shows them working in the United States, Argentina, Venezuela, Brazil, Australia, New Zealand, Ceylon, India, Kenya and Great Britain. It shows machines drawn by power ranging from modern stream-lined tractors to horses, oxen and dog team. It shows, for example, Cockshutt plows turning over the sod of the Sussex Downs in Great Britain that had not been plowed for 17 centuries but are now pressed into service to feed Britain in wartime.

This is not a unique selection. Other major companies active in Canada could show their products just as widely distributed. But it illustrates the magnitude of the job that is being done. Food is a weapon in the production of which farmers everywhere are doing their best aided by the most modern and efficient equipment that can be found.

Designs Frozen

The war itself has not been of much help to farm implement makers in development of new types of machines. In effect their designs have been frozen for the duration, primarily as a step in conserving available engineering skill, tool designers and tool room capacity for more urgent jobs. What can be accomplished after the war is hard to forecast but it would be surprising if some of the knowledge gained from production of war equipment, such as use of special materials, manufacture to tolerances never before customary, etc., will not be of help in turning out better and more efficient implements after the war.

One exception has been development of new and specialized machines to handle new crops. An example is the flax handling and harvesting equipment developed by Cockshutt at the request of the government.

Substitute materials have had to be developed in many cases during the war but this has so far been largely in the use of wood, for example, in place of metals, thus reversing the trend of recent years. Postwar developments are expected to make use of greatly increased supplies now available of the newer materials, thus resulting in lighter, more powerful, more efficient and probably lower cost implements.

Earnings Improving

With sales volume substantially higher last year, it is not surprising that leading Canadian implement makers reported better earnings last year. A complete picture of the industry from the financial end is not possible, however, because so much of the implements sold here are imported from the United States and one of the largest units manufacturing in this country, International Harvester Co. of Canada, is a wholly-owned subsidiary of the American company.

There is evidence, however, of improving conditions for many of them. Cockshutt Plow, for example, broke a ten-year period of no returns to its shareholders with a 25 cent dividend last December. A second payment of the same amount was made June 18 this year.

Massey-Harris has just completed a reorganization which eliminates preferred arrears and writes off the accumulated deficit. Following this, Massey-Harris also paid its first dividend in many years recently.

On the whole, however, the investors' experience in Canada's farm implement industry has been far from satisfactory. Dividends have been few and far between for many years. Whether or not the war stimulation is going to end this long period of famine is hard to say but at least it is giving reason for hope.

THE FARM EQUIPMENT INDUSTRY

	Net Profits			Earned Per Com. Share			Working Capital		
	1941	1940	1939	1941	1940	1939	1941	1940	1939
	$000	$000	$000	$	$	$	$000	$000	$000
Beatty Bros.	329	268	128	5.77	4.12	0.53	5,119	4,888	4,430
Cockshutt Plow	467	236	57	1.55	0.78	0.19	4,512	4,260	4,059
Fleury-Bissell	*7	*44	*17	*1.63	*4.07	*2.76	146	158	224
*Deficit; 17-month period in 1939.									
Massey-Harris	1,125	806	705	0.71	*0.27	*0.14	23,726	22,789	23,346
*On basis of new capitalization.									
Sawyer-Massey*	113	5	11	...	...	...	†185	†254	†372
*Operating profit in 1941; losses in other years. †Excess of current liabilities.									
Waterloo Manufacturing	29	23	*78	0.31	0.16	*4.24	53	†32	†88
*Deficit. †Excess of current liabilities.									

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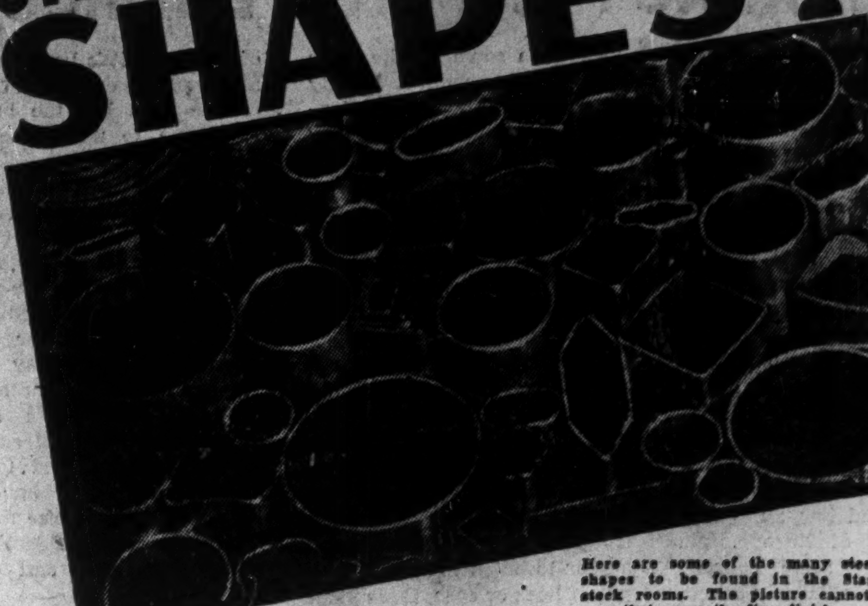

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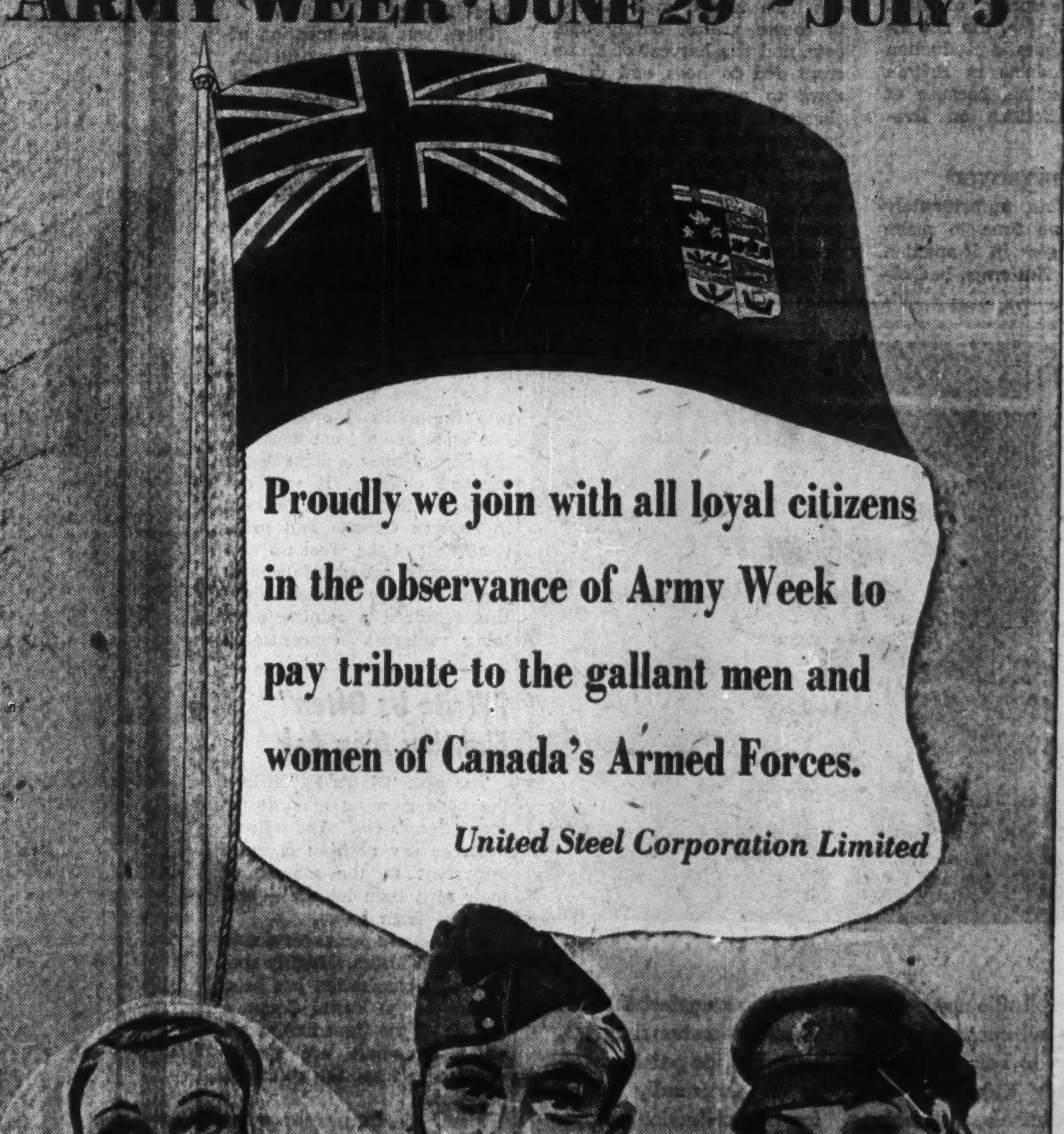

Proudly we join with all loyal citizens in the observance of Army Week to pay tribute to the gallant men and women of Canada's Armed Forces.

United Steel Corporation Limited

—Canadian Army photo.

Meat for hungry soldiers, bacon for Britain, more meat for beef-eating Canada—that's the task war has imposed on Canada's livestock industry. To help feed Britain our hog production has been stepped up tremendously while bacon consumption has been cut at home. Demand for beef along with exports to the U. S. has been so heavy that real shortages have cropped up. To beat those shortages a new government board to control exports and assure meat supplies to Canadian civilians and soldiers has been set up, a zoned price control system has been organized. It has been said that food will help write the peace; Canada is supplying a heavy volume of that writing material.

War Makes Growing Demands On Canadian Livestock Producers

By ROBERT C. STARK

Long accustomed to getting all the meat they wanted, Canadians since the war started have had to revise their buying habits drastically. They have had to cut down on bacon and pork; recently they have been faced with a real beef shortage.

First big demand on Canada's livestock came in bacon. Early recognized as an important part of the British diet, bacon was one of the earliest contracts negotiated between Canada and the United Kingdom. Effective Nov. 17, 1939, to Oct. 31, 1940, a contract was let calling for delivery of a minimum of 50,000 cwts. weekly. During that year the heavy Canadian marketings plus shipments from Denmark and Holland brought a surplus of pork to Britain. When the time rolled around to renew the Canadian contract British freezers were jammed with pork, hog marketings in Canada were up 25%. But Denmark and Holland had been overrun and while that tragedy had not yet been reflected in the British pork larder insurance was taken out by contracting with Canadian hog producers for 70,000 cwts. weekly.

This new agreement, negotiated when an apparent surplus of hogs existed, called for a price of 80 shillings per cwt. as compared with 91 shillings, 1 penny, in the first contract. That drop discouraged many producers in Quebec and Ontario who forthwith went out of the pig-raising business.

The apparent surplus was short-lived. Shifts in the tide of the war meant that Canadian hog producers had to ship across practically everything they could lay their hands on. Last August a new contract was signed under which Britain was to get 600 million pounds of bacon as compared with 425 millions in the previous contact. This 42% jump caught Ontario and Quebec farmers in a poor position to increase their output due to their going out of the market on announcement of lower prices in the second contract. Burden of increasing shipments of bacon for Britain has fallen on the Prairie farmer.

To help meet the driving demand for bacon overseas, Canada has had to reduce consumption on its own account. The public has voluntarily cooperated in an officially sponsored programme to cut pork consumption.

The big increase in Canada's hog business may well leave something of a postwar problem. The current contract of 600 million lb. for the year or 120,000 cwts. weekly compares with pre-war bacon shipments of something like 33,000 cwts. weekly. By the end of the war Canada may have a surplus hog production of around 100,000 cwts. weekly and be faced with renewed competition from Denmark and Holland.

Beef Tightens

In beef the situation did not really tighten up until this spring. Up until then war had played little part in the beef market for Canada ships no beef to Britain, big market being the U. S. Increased earning power, of course, meant higher beef consumption, but Canada's cattle population was large enough to take care of that demand.

When the U. S. entered the war prices across the line started to drive higher; it became well worth while for Canadian farmers to ship their cattle to American markets. Canadian buyers could not meet American prices and stay within their price ceilings. Under a quota arrangement 50,000 Canadian cattle are allowed across the U. S. border each quarter before a tariff is clamped on. In both quarters so far this year that quota has been filled well before the quarter ended. Shipments to the U. S. to June 4 totalled 98,779 beef cattle as compared with 42,197 in the same period of last year.

Scarcity Develops

Coupled with heavy military demand and higher civilian consumption this precipitated a scarcity in many Canadian centres and many a butcher has been hard put to keep his customers supplied. Even at that, prices have been well ahead of a year ago—Toronto prices for good steers during the week ended June 4 were $12.44 a cwt. compared with $8.69 a year ago, Montreal paid $12.10 against $8.90.

The army has been a very heavy meat buyer, estimated to take from 10 to 11% of total beef marketings. Its requirements come before any civilian demand is considered, and army buying is unhampered by price ceilings. Reportedly, some military beef buying has been at prices several cents a pound higher than civilian buyers could pay.

Shortages in certain localities were made more acute by price control. The scheme of individual price ceilings meant wide differences between the prices retailers could pay for their meat and stay within their ceilings. Naturally those that could pay more had the edge in buying. Small retailers in urban districts whose haphazard bookkeeping systems made it difficult to check are said to have gone in for some black marketing, paying no attention to price ceilings.

Briefly, those were the conditions in some Canadian localities, particularly in centres such as Toronto, Montreal and Vancouver, despite a high Canadian livestock population and appreciably higher marketings over a year ago. In the first 22 weeks of 1941 slaughterings of cattle totalled 384,966 against 354,799 in the same period of 1941, calves killed totalled 304,783 against 299,891, hogs 2,798,481 against 2,663,051 and sheep 193,761 against 195,684.

The tight beef situation has been in existence for over a month. It is not expected to improve much until grass cattle start coming into the market in volume, probably during July.

Important New Steps

To help iron out the inequalities of the situation, assure a continuing meat supply for Canadian military and civilians alike, the Wartime Prices and Trade Board in late May took sweeping steps.

To work out the knotty export problem which has been at the bottom of the beef shortage it was decided to set up a board to control exports and pay producers the price which they would normally receive for cattle shipped to the U. S. Obviously this would be operative only when American prices are higher than Canadian. In periods of short supply, the organization will purchase cattle from exporters and re-sell them in the domestic market. Thus beef will be made available to packers and retailers at prices to allow them to hold their ceilings. Any loss involved in the deal is absorbed by the government board.

Replacing the previous system of individual ceilings a system of uniform maximum beef prices to be charged by packers and wholesalers has been adopted for 15 zones which cover Canada. The retail meat merchant determines his maximum prices so that their aggregate is no more than the laid-down cost in buying from a packer or wholesaler, including transportation charges actually paid, plus the mark-up he made in line with his practice during the base period Sept. 15 to Oct. 11.

Lamb and Mutton

The lamb and mutton situation has been complicated by different factors. Canada imported a fair quantity of mutton and lamb from Australia and New Zealand and deliveries now from there are dependent on the shipping situation. On the domestic front the need for wool is an important factor governing the killing of sheep.

The Canadian climate makes a considerable quantity of wool clothing necessary at any time. Added to this is the vast amount of material now needed by the constantly expanding military and naval forces. Canada last year consumed some 110 million lb. of wool of which only around 15% came from Canadian sheep, the rest coming from Australia and New Zealand. To help ease the strain on shipping facilities to the Antipodes there has fallen on the Canadian farmer the duty to expand his operations.

With so heavy an accent being placed on wool requirements there will not be the same volume of lamb and mutton available for the consumer's table. As the necessity for encouraging sheep raising is a comparatively recent realization, there has not yet been sufficient time to gauge its success. However, there have been some interesting indications.

Marketings Down

At the end of 1941 there were on Canadian farms a total of 2.8 million sheep, an increase of 5% over a year ago. Sheep and lamb marketings in the first five months at 142,851 were up slightly over the same period of 1941, but significant is the fact that marketings in May at just over 17,000 were down some 8,000 from May, 1941.

There is tangible encouragement to the farmer to keep his sheep at home for wool growing purposes. All wool produced in Canada is now being bought at fixed prices by the Canadian Wool Board, a government company. The prices paid are generally two to three cents a pound or seven to 10% higher than was obtained for the 1941 clip. In contrast to this market prices for sheep and lambs are currently at approximately the same levels or somewhat lower than a year ago.

Pattern Changed

War has changed the whole normal pattern of operations in the livestock field. The usual procedure in peacetime when beef was in short supply and its price climbing rapidly was a swing by the Canadian consumer to the cheaper pork and other meats. That is not possible now. Hog producers are doing a tremendously important job in filling part of the British diet. Sheep producers now must think first of marketing their wool, not their animals.

To the Canadian consumer this boils down to a change in eating habits. That change has been mild so far and there is no present indication that it will get much past that stage. What rearrangements have been necessary, what shortages have cropped up, have been accepted by Canadians as part of the price payable for the support of the front line defenders.

Canadians Prove Courage In Secret Operations

So far the fortunes of war have not given the Canadian Army the action our impatient men overseas are so anxious to get, but they have given a good account of themselves on the few occasions — mostly secret operations — when they have had a chance to fight. Some have already won the Military Cross, the Military Medal or the coveted George Medal.

The first Canadian to win the Military Cross, awarded to officers, was Major Robert J. Williams. He was decorated by the King for heroic services in blowing up bridges during the British withdrawal from Norway. The first Canadian to win the Military Medal, awarded to N.C.O.'s and privates, was Sapper Fraser Hutchinson, the Royal Canadian Engineers, of Dartmouth, Nova Scotia.

Details of his award were not announced, but it is believed that Hutchinson took part in commando raids on the French Coast. Hutchinson has been luckier than most of his mates. He has seen action and lots of it. He was previously captured at Dunkirk after being injured by the wheels of a truck. Sixteen months later he escaped and reached Britain. Details about this adventure also will have to wait until victory. The Germans would only be too glad to know something about Hutchinson's escape technique.

It was not long ago that Vichy reports told us about a Canadian parachutist, dropped in Occupied France, who killed several Germans with his tommy-gun and, rather than be captured, shot himself with his last bullet. Whether the Vichy dispatch was right or not, Canadians have proved during the last war and the present conflict, that they are capable of such heroism.

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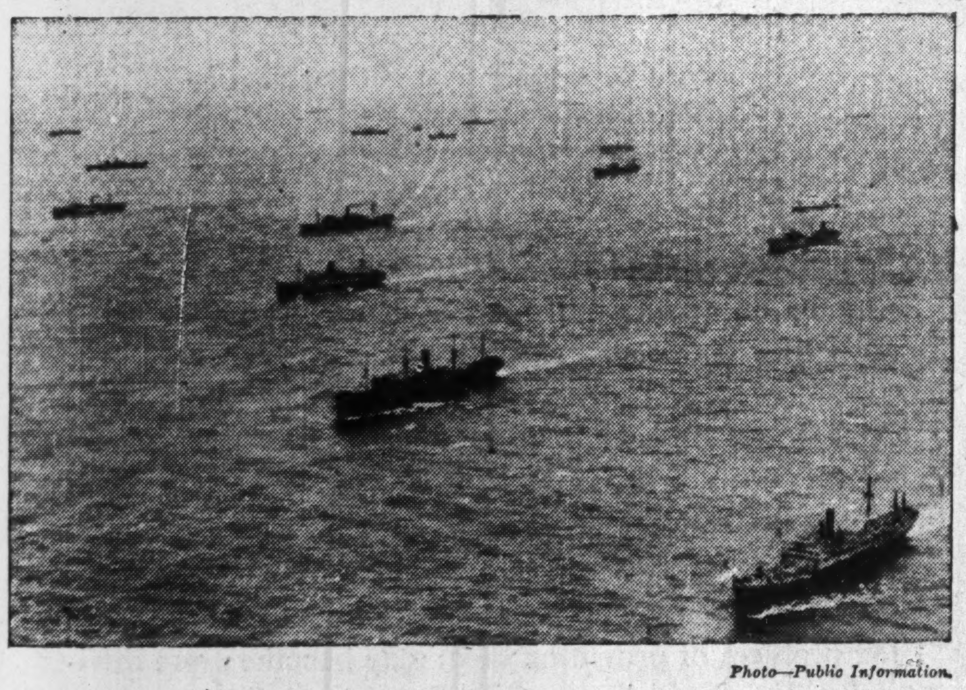

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War in the Pantry

Canadian Food Industry Co-operates With Government to Maintain Flow of Essential Food Supplies to the Home Front

By ROBERT C. STARK

Most important single item in her budget, food—its price and supply — has long been a prime concern of the Canadian housewife. Well aware of the sharp watch she keeps on the groceryman's shelves, the government enlisted her support when the price ceilings plan got under way. She has been a powerful force in keeping those ceilings intact.

She has seen supplies of familiar articles disappearing.

Despite the changes that have come to the Canadian food front, the shortages and non-supply of various commodities, there still remains plenty of all that is essential. Canada is still one of the best fed countries in the world.

Sugar Hit

Deepest dent in the food front so far has been made by sugar. Onslaught of the Japanese against Pacific sugar sources and diversion of production to war uses, brought to sweet-toothed Canada in late January the necessity of cutting its sugar consumption by 20%. Householders were put on their honor to use no more than ¾ of a pound weekly; the record since has shown this honor system in sugar to have been remarkably effective. Recently the tightening situation brought need for reduction to ½ pound weekly, to industrial users 70% of their 1941 consumption. Now being readied is a coupon system for sugar rationing.

The sugar cut has meant a close watch on the sugar bowl at home, the careful doling out of limited amounts of sugar in restaurants. Candy makers have had to reduce the number of their lines, pay more attention to glucose. Some soft drink manufacturers have been able to use other sweeteners, others have had to cut their production. Honey and corn syrup have come into prominence.

Other familiar items which have recently come in for trimming are tea and coffee. To revamp Canadian table customs government officials a short time ago asked consumers to cut their tea intake by one half, their coffee drinking by one quarter. Reason for the step stems from one of the most vital problems of the United Nations — ships. The more tea and coffee we can do without, the more shipping space will be available for vital war materials.

Disappeared or appearing only spasmodically at the food dealer's are bananas, which now can be bought only occasionally. This year's salmon pack is all headed for the United Kingdom.

Our supply of nuts used to come from the U.S., South America, Spain, Manchuria. The number of varieties available now is sharply down. Figs from Turkey and Portugal, olives from California and Spain, sardines from Norway, spices from the Far East have now pretty well vanished Heavy shipments of pork and cheese to Britain have had a very material influence on the supply of these two commodities at home.

To help keep his shelves stocked, his customers coming, the retailer has had to accent different products, develop interest in goods of which he still has plenty. His biggest problem has been to meet situations which the imposition of retail price ceilings have brought.

Slim Margin

The food retailer normally works on a narrow profit margin, changes in his costs have to be quickly reflected in his selling price; upward to maintain his profit, downward to maintain his competitive position. With ceilings clamped on the selling price of his merchandise the retailer has had in some cases to face a "squeeze" brought by rising wholesale prices that could not be passed on to his customers.

When ceiling prices were imposed it meant to the food retail trade some fairly sizeable price reductions to get back to the levels of the base period of last fall. In some cases it actually meant taking a loss. For instance, if a product selling at 10 cents had to be cut back to nine cents it meant a 10% reduction. In some businesses that could be easily absorbed but in the grocery trade markups are usually only about 10 to 17% on sales. With cost of doing business running anywhere from 10 to 16% on sales, it is obviously impossible to cut prices 10% and still show a profit.

To help meet that situation and still hold the ceilings, there has had to be considerable behind the scenes co-operation. Wholesalers and producers have realized that they could not expect retailers to bear the whole weight of carrying the ceilings progamme. From their personal standpoint they could not afford to let the price squeeze put their retail outlets out of business. Accordingly there has been a rolling back of the squeeze.

Simplification

The retailers have taken some which means lower profits for them, wholesalers and producers have taken another part of the squeeze. Spread over the whole marketing picture, the load has been lighter and ceilings have been maintained.

Playing a big part in holding the ceilings has been a broad programme of standardization and simplification.

Retailers have been encouraged to get their business down to a basis of rock-bottom economy. In times of peace, competition forced many developments that are now wasteful; such things have been directed to the exit sign. Delivery systems have been trimmed; a housewife now can't phone her corner grocer to send a can of soup—her order has to be over $1. Small retailers who have kept their books rather haphazardly are being told to check up on their accounting so they will have a better idea of what is happening to their business. In packaging and wrapping the alert retailer has found many articles on which he can save paper and twine that run into real money.

Manufacturers and distributors of food products are following the same trend. Biscuit makers, for instance, have cut the size of the flaps on their cartons while the quantity of wax and glassine paper inside the cartons have been reduced. Cookies and biscuits now come packed a dozen to a container rather than a quarter or half dozen. Manufacturers are making it worthwhile to retailers to return the corrugated cartons in which their food products come.

To help out the tin situation the types of food and the sizes of can in which they may be packed are now definitely limited. Right across Canada tea prices have been standardized at 85, 90 cents and $1 a pound for the different grades.

Government in Food

To keep the long list of food products in line with ceiling policies has required a tremendous amount of administration, direct government intervention. In the food field the government operates through the machinery of the Commodity Prices Stabilization Corp., organized late last year. Prime job of this crown company so far as the food industry is concerned is to see that supplies are made available to the retailer at prices that will allow him to hold his ceiling and still stay in business. Originally intended for operation toward stabilizing the cost of imported goods, the work of the Commodity Prices Stabilization Corp. has spread to the domestic field.

One of the most recent examples of this was the recent decision that in working out the intricate canned food problem due to complication of price ceilings, the Stabilization Corp. on Feb. 1, 1943, would offer to buy up all the tomatoes, peas, corn, green and waxed beans left in the hands of the canners at certain set prices.

Subsidy Plan

With no control exercisable over the price of imported goods the only way to hold the retail price ceiling here on such goods was for the Stabilization Corp. to subsidize imports and take the resulting loss. The same system has been extended to a list of domestic goods. By this April it was found that an increasing number of groups and industries were finding it impossible to operate within the price ceiling without benefit of public aid.

The government forthwith announced a new policy for subsidizing domestic production of a wide range of grocery items. In effect manufacturers were told to put their prices back not to September-October base period but to the maximum prices of June, 1941, and that the Board would subsidize them for the difference between the October and June levels. Thus recognition was given to the fact that grocery profit margins were too narrow to absorb all the squeeze that price ceilings brought.

Up to the beginning of June subsidies paid to maintain price ceilings totalled $4 millions. Payments on domestic subsidies totalled $3.3 millions and import subsidies $0.7 million.

Not Subsidizing Profits

It is stressed that this plan to keep food prices under the ceiling does not mean a subsidy on profits. Subsidies are paid when there is no other way of ensuring adequate supplies of a particular product for the consumer at prices permitted by the price ceiling.

A fundamental principle of the system is that the industry or trade receiving the subsidy should bear a part of the increased costs in respect of which subsidy is paid. In short, the subsidy, in conjunction with the special conditions attached to it, should leave the industry in a worse, not a better, profit position than before the price ceiling was imposed. The facts supporting claims for subsidy payments are carefully checked by the Board.

There is no guarantee offered by the government that just because a subsidy is being paid now, it will be continued indefinitely. Many interim subsidies have been established so that supplies can be obtained quickly and freely. The basis of subsidies is continually under review to weed out any non-essential payments. The Board has defined the issue as being whether the goods in question should or should not be produced or imported under present circumstances; it is prepared to permit some non-essential supplies to disappear from the market rather than permit either their prices to be increased above the ceiling or to subsidize what are really non-essentials.

What the bill for this subsidy programme will amount to can only be guessed at and already has been the subject for widely varying estimates. Finance Minister Ilsley has estimated that for this year they will amount to some $50 millions. That sum he regards as a good insurance premium against inflation.

—Canadian Army photo.

Enough to make ration coupons curl up in envy is this sight of sugar piled high. First food product to come under direct rationing, sugar is viewed by some as a testing operation preparatory to bringing other commodities under the same system. Army gets first call on available supplies.

TROOPING THE COLORS

Trooping the Colors, a ritual performed in Canada by His Majesty's Grenadier Guards, Montreal, and the Governor-General's Foot Guards, Ottawa, has several explanations for its origin. One is that it was developed by the first Duke of Cumberland, a son of George III, to test the sobriety of his officers.

Tradition has it that the Duke, who was Colonel of a Guards Regiment, was disturbed when he attended early morning parade one day to find many of the officers still suffering from the conviviality of the previous night. He is therefore supposed to have planned the movement, which makes officers and non-commissioned officers march slowly to their posts in a straight line.

113,000 Soldiers Go Back to School

Latest figures show that 113,000 men have registered in courses of the Canadian Legion Educational Services since they were started in the fall of 1939. Purpose of the course is to continue the education of young men who left school to join the forces, as well as to open opportunity to older men on active service who never had a chance to complete their schooling.

All classes are free. The field covered is wide. Men may get courses for studies in public and high schools leading to junior matriculation. There are also available several courses leading to such useful trades as mechanics, automotive engineering, draftsmanship, radio engineering, Diesel engineering, mechanical drawing, secretarial work, shorthand and typing.

Teaching Methods

There are two methods of instruction — correspondence and tutorial classes. In addition, through the co-operation of universities, a number of courses beyond junior matriculation are made available to men in active service.

There are now around 50 courses covering the ground from the sixth or seventh grade to junor matriculation or the equivalent in a technical school. A large number of these have been translated into French, which means that for the first time in Canada's history there is an interprovincial bilingual educational system for service men.

All types of men take the courses. Among them are those who are anxious to get commissions or make themselves more useful in the forces. The Educational Services of the Legion overlook no bets. When Canadian troops landed in Iceland they put out an Icelandic-English course and sent it overseas in a great hurry.

On file with the Legion are a number of "first letters," written by men who were taught to read and write by the Educational Services.

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Buy War Savings Certificates and War Savings Stamps

CORN SERVES

Food Industries Geared to Wartime Production

Many branches of the Food Industry, taxed to the utmost by wartime needs at home and abroad, depend upon products made from corn as essential ingredients.

In peacetime, these products were used in large quantities, as adding special quality in the production of many prepared foods. Today, with restricted supply of many other commodities, products made from corn, are still more generally relied upon.

PRODUCTS MADE FROM CORN BY THE CANADA STARCH COMPANY LIMITED ARE EXTENSIVELY USED IN THE FOLLOWING FOOD INDUSTRIES:—

Canning and Preserving
Custard and Pudding Powders
Yeast
Canned Soups
Canned Vegetables
Mayonnaise and Salad Dressing
Prepared Mustard.
Rice Polishing
Sausage and Meat Packing
Brewing
Sugar and Salt Packing
Chocolate Milk
Ice Cream
Sherbert
Baking
Confectionery
Crystallized Fruits
Mince Meat
Soft Drinks
Soda Fountain Syrups
Caramel Color
Baking Powder

OTHER INDUSTRIES, DIRECTLY OR INDIRECTLY ENGAGED IN WAR EQUIPMENT PRODUCTION, UTILIZE OUR PRODUCTS MADE FROM CORN.

Textiles
Foundries
Paperboard
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Insulating Materials
Alloy Steels
Explosives
Ore Dressing

Famous packaged products serving the Nation—as nourishing and delicious foods for the Armed Forces as well as in Canadian homes.

Crown Brand Syrup — Lily White Syrup — Karo — Benson's Corn Starch — Canada Corn Starch — Mazola Salad and Cooking Oil

The CANADA STARCH COMPANY LIMITED

Montreal Toronto

The oldest and largest Canadian manufacturers of products from corn.

Canadian Agriculture Playing a Vital Part in the War

In the gathering momentum of Canada's vast war effort, agriculture is playing an increasingly important part—a part no less vital if less spectacular than other phases of the industrial mobilization.

The agricultural industry of Canada deeply realizes its opportunity, as one of the world's most important sources of food, to make an important contribution to the total war effort in providing a vast amount of food of the highest quality to meet the requirements of Britain and her Allies. The principal objectives which are being realized with efficiency through a co-ordinated effort are:—

To have Canadian agriculture function as efficiently as possible to meet the war demands for food.

To prevent the industry from suffering unnecessary dislocation in order that it may be fully prepared to resume its normal activities when peace comes.

Every province in Canada is "pulling its weight" in the production of quality products of the type and in the quantities required.

All who are engaged in Canadian agriculture are keenly aware of the importance of their task and are imbued with a determination to succeed.

The war requirements in food supplies will increase and the problem of providing them may become more difficult. Food will be supplied from Canadian farms to meet this demand and fortify the spirit for Victory.

The Dominion Department of Agriculture will continue to assist Canadian farmers in every way possible in order that all requests from Britain for food may be satisfied.

DOMINION DEPARTMENT OF AGRICULTURE
OTTAWA

HON. JAMES G. GARDINER, *Minister*

DR. H. BARTON, *Deputy Minister*

Modern Farming Aids Mechanized War

Implement Firms Shift Rapidly To Production of Vital Weapons

By ARTHUR D. ELLWOOD

From plows and harrows to guns and tanks is a transformation which Canada's farm implement industry has taken in its stride.

Before the war factories which specialized in turning out the equipment for Canada's farms, were doing a good job on their own line. They had just come through a few years of reasonable prosperity, but were by no means taxed to turn out the quantity of implements which the markets of the world would absorb. They had excess capacity and excess plant space.

War had not been under way very long before they were busy converting this excess plant and space to new jobs. Development of their war activity has continued ever since and is still expanding as new plants and additions to old ones come into production.

New Products

To a considerable extent war work carried out by the major implement companies has been something entirely new, or at least something not attempted since the last war. A place has also been found for specialized uses of some of their everyday products, particularly tractors and trucks.

Even a partial list of the various war materials the farm implement industry is turning out makes impressive reading. It ranges through many different sizes of shells for artillery, ranging from small anti-aircraft guns up to large field pieces. It includes parts for guns, gun carriages, hand grenades, aircraft parts and many others.

A typical list is shown with this story. It does not pretend to be complete, nor can it go into too great detail, largely because of wartime restrictions. But it is sufficient to give a good idea of the versatility of this group of companies led by such major firms as Massey-Harris Co., Cockshutt Plow Co. and International Harvester Co. of Canada.

As might be expected, these companies which specialized in their peacetime products are continuing to specialize to some extent in their war output. International Harvester Co., a large and important maker of trucks, has produced special adaptations of many of its ordinary truck lines for war. On its truck chassis are mounted ambulances, fire pumpers for the Royal Canadian Air Force and other special types of vehicles. An automotive training course for Canadian army personnel was started about a year ago. Thirteen schools are operated by the Canadian Army with the co-operation of International Harvester Co. of Canada branches.

Groups of officers and soldiers are trained in the theory and practical operation of automotive service to enable them to teach others in their respective units how to operate and maintain trucks and other automotive equipment in the field.

Each course lasts for six weeks. It is intended primarily to enable officers and men of other ranks taking the training to be able to make quick and accurate diagnosis of mechanical failure in the field, to make minor adjustments and replacements on the spot, or to decide if the unit is to be turned over to a mobile field shop for major repairs or complete overhaul.

International Harvester has also carried on a salvage campaign through farm implement dealers, particularly in western Canada.

It has been recognized for a long time that many tons of valuable scrap metals are wasting on the Canadian prairies. How to get this into the steel mills was the question. The problem is being solved, at least in part, by using the farm implement dealers throughout the country as stations where salvage materials are collected and sorted before going out to the mills.

In its plants International Harvester is doing a big job. It is turning out parts for anti-aircraft guns, for anti-tank guns, for bomb throwers. It is making parts for bombers and playing a major part in the manufacture of the parts going into the Mark III tanks, as well as the universal gun carriers.

Shells and Airplanes

Canada's largest farm implement making concern, Massey-Harris Co., has from the first played a major part in turning out the equipment for Canada's Army and those of her Allies.

Artillery shells are being turned out by the thousand and in several different sizes. Anti-aircraft shells are being made on specially designed machines.

In a plant built about the time of the last war to make tractors and never used, Massey-Harris has been turning out airplane wings and spars for some time. This plant is undergoing an important extension.

Turning out these wings for twin-engined bomber trainers for the British Commonwealth Air Training Plan is an intricate job. They are mostly wood construction and in their building, piano makers, cabinet makers, carpenters and other craftsmen ply their skill and knowledge of woodworking in the various stages of construction. Altogether there are over 3,000 different parts in a wing. Small assemblies are put together in a manner suggestive of model airplane building. Seven different kinds of wood are used, much of it high grade plywood made from Canadian birch and fir.

In addition to this Massey-Harris has adapted dozens of its farm tractors to Air Force use, spotting planes on runways and in the hangars and moving service equipment.

Outstanding among this company's war jobs is the huge contract for the manufacture of tanks for the United States Government recently obtained. This contract, said to be the largest yet awarded to a manufacturer in the State of Wisconsin, required acquisition of a new plant covering four city blocks.

Cockshutt Plow, early in the war was able to turn its connection with Solar Aircraft Co., San Diego, Cal., to good turn in helping Canada's young aircraft industry get under way. This company's specialty has been airplane engine manifolds of inconel and stainless steel. Also for airplanes the company is making wings, oleo legs and radius rods on the undercarriage, and buffer struts for the tail wheels of Avro-Ansons.

Shells are being turned out in this company's plant by the thousands as are hand grenades. Brantford Coach & Body Ltd. (a Cockshutt subsidiary) has made many different types of ambulances, is also turning out army truck bodies of various kinds. The company's Harvester Division is turning out gun carriages and parts for universal gun carriers.

This is not by any means a complete list of the companies active in the job. Beatty Bros. and Sawyer-Massey, to mention only two more, are playing major parts. But it is sufficient to indicate some idea of the versatility and scope of the work being carried out so successfully.

In doing this war work these companies have had to extend their plants, install new machinery and, above all, train many hundreds of new workers. Women are playing a large part in such jobs as making airplane wings or shells.

Of great importance in helping them to carry out this war job has been the equipment already installed. Huge presses which used to stamp out parts for farm implements are now helping to make bodies for military trucks or universal gun carriers. Toolrooms designed to work to the relatively wider tolerances of the farm implement industry have been found capable of mastering the fine precision work which war materials require. The job has not been easy but it is being carried out with remarkable success.

IMPLEMENT MAKERS TURN OUT THIS WAR EQUIPMENT

Shells for field artillery and anti-aircraft guns; hand grenades.

Gun carriages and parts for guns of various types such as Bofors 3.7 and 2-pdr. anti-aircraft.

Parts for tanks — track links, forgings and machine work, heat treating and forming armor plate for tanks.

Armor plate machining and malleable track for universal gun carriers.

Castings, forgings and complete bodies for military trucks.

Forgings for 2-pdr. anti-tank guns and carriages and for 2-in. bomb-throwers.

Wings, spars, engine manifolds, metal fittings, steel forgings for bombers, trainers, and other types of airplanes.

Complete tanks, trucks and tractors, wheel type and crawler.

Ambulances and fire pumpers.

Miscellaneous metal working jobs, forgings, stampings and castings for a variety of uses.

—Canadian Army photo.

Mass production of fast moving universal carriers is one of the brightest wartime achievements of Canadian industry. These sturdy little vehicles have proved their value on many occasions both in France and the Middle East. Capable of hitting a speedy clip over almost any type of terrain the carrier is invaluable in "getting there fastest with the mostest men." Canada's farm implement companies have turned from their ordinary pursuits to pour out a heavy stream of parts and bodies for carriers along with trucks to back them up.

Cars Into Tractors To Meet Shortages

Possible aid in the solution of two of the farmer's most pressing problems—shortage of labor and new mechanized farm equipment—is seen in the conversion of existing equipment to meet the new situation.

One such step is transformation of automobile or light truck chassis into tractors by substituting new rear drive wheels and altering gear ratios to give pulling power instead of speed.

At Orillia, Otaco Ltd. turn out the "Autotrac" adaptor. Heavy metal traction wheels are fitted on the rear of the truck or auto, and the completed job is stated to be capable of plowing five acres a day. It can be used for discing, harrowing, rolling, seeding, etc., all jobs of the standard light tractor.

Officials of the firm say the device takes less than one fifth of the new material required for a medium-sized tractor, as its weight is under 800 pounds, and that its advantages have been underscored by wartime conditions.

The attachment is made for all types of cars, replacing the rear wheels with tractor wheels, and, by means of a reduction gear, transforming speed into hauling power.

According to the makers, it can be fitted to a car without skilled labor and will "do the work of four horses with engine running in high gear."

On the average light car, it has a drawbar pull of approximately 1,500 pounds in high gear at 2½ miles an hour. It uses about one gallon of gasoline an hour, and the gears are so designed as to get the maximum speed and power with the engine running at normal driving speed.

New wartime significance has been given to such devices as the "Autotrac," a means of converting standard car and truck chassis into tractors

SOARING daily to new production heights, Canada, a nation of 11 million people, is pouring out war materials in such volume and variety as to astound the world and confound our enemies.

Seldom headlined, yet vitally important, are food products. Typical of the manner in which these are being enlisted for victory is the salmon fishery of Canada, whose total 1942 pack has been placed at the disposal of the British Government.

Canadians will forego, for the present, their favorite seafood. But every such sacrifice adds to the growing power of our fighting forces and brings the hour of victory that much nearer.

CLOVER LEAF SEAFOODS

BRITISH COLUMBIA PACKERS LIMITED

GOOD FOOD

will help win this war!

FOOD, too, fights for freedom. Here at home, as well as overseas, much depends on the food industry of which Borden's are a part.

"White Ammunition"

Fresh milk, for instance, is so essential to the health of the men and women in uniform, that it is served today in every training camp in Canada. Ice cream is another important contribution to the nutrition of our armed forces.

Evaporated Milk, Condensed Milk, Powdered Milk and Cheese are being sent to the fighting forces of the Empire and her Allies wherever they may be.

Out of camp as well as *in* camp, dairy products rank high on the list of food essentials . . . serving as the spearhead of our wartime nutritional program for civilians.

The Borden Company's responsibility in this great fight for freedom is to help maintain the strength and fitness of the armed forces and continue to guard and build the health and well-being of those at home.

THE BORDEN COMPANY LTD.

Executive Offices — Toronto, Ontario

We Salute Them

Weston's join with all Canada in expressing pride and appreciation and paying tribute to all those in Canada's Armed Forces who are sacrificing personal freedom and pleasures to do their part in crushing the "Hitler Tyranny" so that we may continue to live as free men and women.

You can help to make life more pleasant for these people, many of whom are in new surroundings. Entertain and assist them wherever and whenever you can. They'll appreciate it.

Weston's

ENGLISH QUALITY BISCUITS

BREAD • PIES • CAKES

Filling Britain's Breadbasket

$337 Millions to U.K. Larder in 1942

By KENNETH R. WILSON

Canadian farms will ship to Britain in the third year of war, $337 millions of agricultural products according to an estimate made by The Financial Post.

The value of farm products shipped to Britain in the first two years of war is estimated at $488 millions; making a total for the three years of $825 millions.

Essential Industry

This is what Hon. C. D. Howe had in mind when he stated in the House of Commons last week that "agriculture, to a large degree must be recognized as an essential war industry." This was a significant statement from the Minister of Munitions and Supply whose primary interest is guns, planes, tanks and ships rather than wheat, eggs, bacon and cheese. Mr. Howe estimated that 1,350,000 persons were now employed in agriculture in Canada, exclusive of housewives. The fact that all farm workers were "frozen" on their jobs last March is further evidence of the important job which the Canadian farmer is doing to win the war.

Just what we are committed to send Britain this year is tabulated in an adjoining table. Over 90 per cent of our exports (by value) are in the form of four products:

Wheat and flour	$170,000,000
Bacon and hams	118,000,000
Cheese	25,000,000
Eggs	13,000,000
Total	$326,000,000

Equally significant is the comparison of the volume of contracted exports in these four items as compared with our total exports to all countries in the ten years prior to the outbreak of war. The comparison is very striking:

	War Sales to U.S. 1942	10-Year aver. exports all countries Pre-war
Wheat and flour, bu.	200,000,000	199,000,000
Hogs, lb.	600,000,000	121,500,000
Cheese, lb.	125,000,000	78,500,000
Eggs, doz.	45,000,000	1,200,000

Before the war our overseas shipments of hogs (largely to Britain) had been steadily climbing as a result of the Ottawa agreement of 1932. But the highest pre-war export was 230 million lb. in 1937. The 10-year average was 121.5 million pounds. In the first year of the war we made an agreement with Britain to ship 291 million lb. We shipped 331 millions.

In the second year we made an agreement for 425.6 million lb. This was to be filled by Oct. 31, 1941. We completed the job considerably ahead of schedule.

The present agreement to be filled by Sept. 30, 1942, calls for a minimum of 600 million lb. In addition there are supplementary contracts and arrangements for the shipment of 18 million lb. of pork offal, canned hams and canned pork. Latest information on the bacon front is that we will meet this huge deadline although we may be a week or two behind schedule. The answer won't be known until the big marketings of August and September appear.

FOOD FOR BRITAIN

	First Two Years of War 1929-41 Quantity	Value	Third Year of War 1941-42 Quantity	Value
Wheat and flour	350,000,000 bu.	$295,000,000	200,000,000 bu.	$170,000,000
Bacon and hams	757,000,000 lb.	133,000,000	600,000,000 lb.	118,000,000
Cheese	215,000,000 lb.	35,000,000	125,000,000 lb.	25,000,000
Apples, Fresh	1,200,000 bbls.	3,100,000	510,000 bbls.	1,300,000
Evaporated	1,400 l. tons	150,000	700 l. tons	94,000
Canned	430,000 cases	600,000	271,000 cases	732,000
Pomace	380 l. tons	19,000	1,000 l. tons	50,000
Eggs	27,300,000 doz.	7,800,000	45,000,000 doz.	13,000,000
Evaporated milk	1,435,000 cases	5,500,000	668,000 cases	2,900,000
Canned tomatoes	19,000 l. tons	....	300,000 cases	654,000
Honey	13,500,000 lb.	1,720,000	4,500,000 lb.	600,000
Fruits (SO_2) Strawberries, Raspberries, Black Currants, Plums	1,100 l. tons	165,000	1,520 l. tons	215,000
Flax (fibre and seed)	......	1,000,000	......	918,000
Tobacco	8,000,000 lb.	2,100,000	13,000,000 lb.	3,000,000
Beans	608,000 bu.	1,300,000	350,000 bu.	787,000
Onions	......	......	400 s. tons	216,000
		$488,400,000		$337,466,000

NOTE: Totals in many cases are approximate since contracts are made at various times of the year and do not always conform to "war" years.

Eggs by Millions

Before the war we were shipping a little over a million dozen of eggs to Britain annually. No government contracts were let for eggs until April 1, 1941. On that date contracts were entered into for 13.8 million dozen eggs, one half of which were shipped fresh and the remainder stored and shipped in the fall of 1941.

A contract was entered into for 30 million dozen eggs in the fall of 1941, which included the 6.9 million of storage eggs from the spring agreement. The remaining 23.1 million dozen were scheduled to be shipped before May 1, 1942. Two further agreements amounting to 11.8 million dozen have been entered into making a total of 45 million dozen for the calendar year 1942.

On Feb. 6, 1942, Canada received instructions to forward all unshipped eggs in dried form. Three egg-drying plants, located at Trenton, Ont., Winnipeg, and Saskatoon, were brought into immediate operation to dry eggs for the board. Milk drying plants at Ottawa, Gananoque and Belmont, Ontario, were converted to egg drying. Additional drying plants are being constructed under private auspices at Toronto, Winnipeg, Calgary, and Edmonton, and the plant at Saskatoon is being enlarged. These plants are being constructed under agreements with the Canadian Government.

Wheat a Mystery

No official figures either as to the export of wheat to Great Britain or the price at which Britain is buying our wheat can be obtained. Evidence before parliamentary committees discloses, however, that all but 30 to 35 million bushels of our wartime wheat exports are going to Britain. Total shipments of wheat and flour in the first three years should approximate 550 million bushels.

The current rate of exports (about 200 millions annually) almost exactly equals the ten-year average of our wheat and flour export clearances to all countries. The latest wheat contract with Great Britain was negotiated in May and called for shipments of 120 million bushels. No price has been announced but it is generally assumed in the trade that the price was slightly higher than the previous contract and was probably in the neighborhood of 85 cents a bushel.

What About Prices

The question of price is of course vitally important to the war-producing farmer. Usually the more a farmer produces of hogs, wheat or dairy products in any one year the lower the price is apt to be. In wartime, contracts for oversea shipment are at a fixed price and there have been generous bonus payments for high quality production.

The following table shows comparative prices of representative Canadian farm products during May, 1942, as compared with pre-war prices and the prices which prevailed at the depression low and during the 10 year 1926-29.

COMPARATIVE PRICES OF REPRESENTATIVE CANADIAN FARM PRODUCTS

	1942 (May)	1939 (Aug.)	1938 (Aug.)	1932 (Dec.)	1926-29 (Average)
Wheat (bu.)	79.3c	54.9c	76.5c	42.4c	141.7c
Oats (bu.)	51.5c	27.3c	31.2c	21.0c	59.7c
Barley (bu.)	62.8c	32.3c	38.0c	27.8c	73.6c
Flax (bu.)	$1.64	$1.30	$1.41	$0.72	$2.05
Steers (cwt.)	$10.91	$6.37	$6.19	$4.10	$9.04
Hogs (cwt.)	$11.45	$7.85	$9.66	$3.97	$11.61
Cheese (lb.)	*20.0c	11.2c	14.2c	9.1c	18.9c
Butter (lb.)	35.0c	21.5c	23.7c	21.4c	38.2c

*Exclusive of premium and provincial bonus.

It will be seen that all farm prices are very substantially higher than at the beginning of the war (admittedly a depressed period) and that prices of most key products (except wheat) are fairly close to the 1926-29 average. Price of steers is considerably above the 1926-29 average.

Just how Canadian food production will be tied in to the new U.K.-U.S. Combined Food Board is not yet clear. Early this year a change was made in the negotiation of procuring food supplies from Canada. Up till that time negotiations had been conducted directly with Britain in the case of Canada and through the British Food Mission to the United States in respect of food supplies from that country.

This Food Mission was then reconstituted as the British Food Mission in North America and its functions and duties extended to Canada. Canadian headquarters of the mission are in charge of G. H. S. Pinsent, C.M.G., at Ottawa.

A brief summary of other important contracts for agricultural products being supplied by Canada to Britain, follows:

Evaporated Milk

The first contract, which was from July 1, 1940, to March 31, 1941, was for 751,362 cases, which we shipped. Because of the stress laid on cheese the agreement for the period April 1, 1941, to March 31, 1942, was somewhat smaller at 650,000 cases, and we practically filled it. The third agreement is for 668,000 cases, to be filled by March 31, 1943. The value of the contract is $2.9 millions based on a price of $4.45 a case f.o.b. Montreal for milk produced in Ontario and Quebec.

In addition we are supplying the West Indies with considerable quantities of evaporated and condensed milk, at the request of the British government.

Tobacco

Immediately before the war we were shipping up to 30 million pounds of tobacco to Britain. In 1938 the amount was 15 million pounds. Britain agreed to take eight million pounds from the 1939 crop; none was taken from the 1940 crop. This year Britain agreed to take 13 million pounds.

Arrangements for the shipping and financing of tobacco do not come under the Dominion Department of Agriculture.

Butter

We have no agreement to ship butter to Great Britain. Britain does not want any of our butter if it interferes with cheese.

Powdered Milk

We have no agreement to ship powdered milk to Great Britain.

Fruits

In the case of apples, Britain took no fresh apples in 1940, but this year she is taking 510,000 barrels. In the first year of the war Britain agreed to take 50 per cent of prewar purchases or approximately 1.2 million bbls.

The Dominion government has completed agreements with British Columbia and Nova Scotia regarding the marketing of apples in the 1942 crop but no agreement has been made as yet with Ontario. The new N. S. agreement leaves the marketing of the apples for fresh consumption entirely within the hands of the industry but provides a substantial contribution (about $2 millions) through the purchase of surplus as evaporated apples at a price to be determined in relation to the fresh fruit price. The evaporated apples will be invoiced by the industry to the U. K. at actual market value.

Chief provisions of the new agreement just concluded with B. C. is a plan to assist in the sale of 80% of the crop by whatever price assistance may prove necessary to increase home consumption. Beyond the 80% the government has agreed to purchase the manufactured output of 500,000 boxes as evaporated apples but without any industry assistance in the price offered. Estimated cost to the Dominion government is placed at $1,250,000.

Dehydrated Vegetables

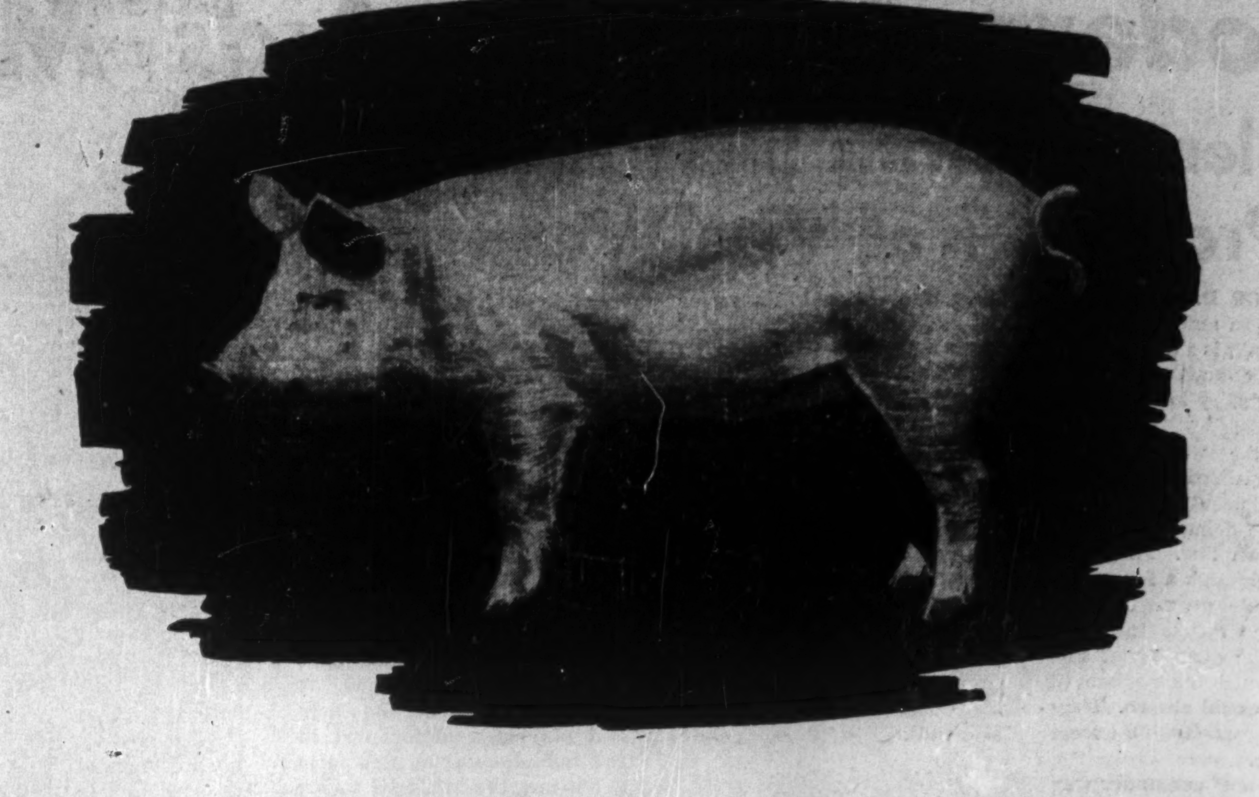
Canada has actively encouraged the dehydration of vegetables and funds have been provided to enlarge and extend existing plant facilities in different parts of the country. As yet no sizeable contract for dehydrated vegetables has been received from the U. K. government.

CANADA
OUR NATIVE LAND

A TRIBUTE
to those gallant sons of Canada who stand, straining at the leash.. eager and prepared to get at grips with the enemy.
We confidently leave it in their hands to preserve that priceless heritage of Freedom for which their sires offered their all in years gone by.

OFFER YOUR HOSPITALITY
If there's an Army Camp near your home, there are a couple of boys away from their homes. Invite them to dinner or for the week-end. They will deeply appreciate it.

CHRISTIE, BROWN AND COMPANY, LIMITED
Christie's Biscuits



Food for Britain travels first class

MODERN developments in refrigeration and air-conditioning have made possible the transportation of vast quantities of Canadian farm and dairy products to Great Britain in first-class shape.

Cimco-York engineers have played their part in this work. Refrigeration storage facilities on land and sea are one of their specialties. For many years they have served Canadian industries in this field.

The extensive experience gained in handling gigantic war food storage and transportation problems enables Cimco-York engineers to serve our customers even more efficiently than ever in the past.

York refrigeration air conditioning

CIMCO-YORK
REFRIGERATION - AIR CONDITIONING

CANADIAN ICE MACHINE COMPANY, LTD., TORONTO • BRANCH OFFICES: HALIFAX, MONTREAL, WINNIPEG, CALGARY, VANCOUVER

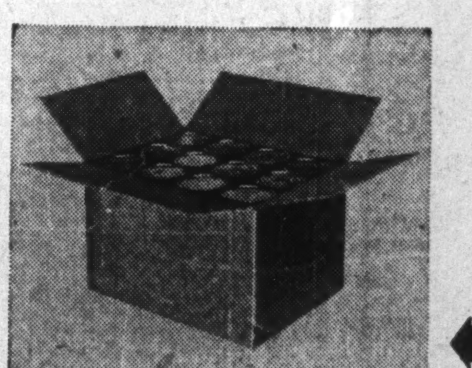
LET'S PUT MORE SCRAP INTO OUR WAR EFFORT!

CANADA NEEDS MORE ... AND STILL MORE ... SCRAP METAL, BONES, RAGS, AND PAPER!

● It's going to take plenty of scrap to beat Hitler! Half-way measures won't do. Right now it is of the utmost importance that scrap materials are collected in ever-increasing quantities because these materials are urgently needed for the manufacture of explosives, aeroplanes, tanks, guns and shells for front line fighting.

The waste paper you contribute not only aids the fighting forces directly, it also benefits the home front. Waste paper must be available for making the paper board required to protect machinery and foodstuffs in transit. Otherwise it will be necessary for board mills to draw on new pulp needed to produce paper used in business. *The sacrifice of paper for business efficiency is not necessary if adequate waste paper is salvaged.*

And that is where you can do your part! Make sure that every bit of waste paper within your own and your employees' control finds its way to your National Salvage headquarters.



Shown here is just one of the many ways Hinde and Dauch have adapted their peacetime facilities and experience to the war effort. H & D corrugated boxes now protect a myriad of defense materials — everything from foodstuffs to dyestuffs, rubber products to roller bearings, parachutes to pistons.

Out of the knowledge and experience they are gaining from the war effort, H & D package engineers are already planning better merchandising packages for post-war business.

CONTRIBUTED IN THE PUBLIC INTEREST BY...

HINDE & DAUCH Authority on Packaging

TORONTO • TRENTON • MONTREAL

—Canadian Army photo.

Constant communication with the forces in the field is a vital necessity in present day warfare. To supply that need highly efficient radio equipment is needed. The short-wave sending and receiving sets are packed in fast trucks capable of taking a lot of punishment and staying close to the swirling tide of battle. Supply of those trucks is an additional job that has been asked of Canadian industry.

Ottawa Urges Citizens To Eat for Health

"Make every kitchen work for victory."

That's the slogan of Canada's Nutrition Services.

Aim of the services is to improve national health and efficiency through the development of good eating habits.

One of the preliminary jobs was to visit war industries to see whether the workers were getting proper nourishment. Some mysteries, at least, have not yet been solved. Among them—just what goes into the workers' lunch pail — and, it has been reported, the lunch pail is a neglected necessity. Hard working men have been existing on lettuce sandwiches —girls have been eating sweet or starchy foods and drinking pop.

The survey made resulted in co-operation with war industries—and through this experience—co-ordinating nutritional activities throughout Canada.

The services rely on voluntary workers to organize local programmes in which nutritionists and dietitians take part, applying their experience to the conditions in the community. In this they are supplied with basic facts about nutrition so that programmes across the country will be co-ordinated.

When the women of Canada have this nutritional information they must then learn how to use it by buying wisely and cooking well.

The Department of Agriculture, participating actively in the nutrition campaign, has a consumer section under Miss Laura Pepper, who has written a booklet called Foods for Home Defense. It contains a listing of wartime foods with references to their supply. There are also instructions on how to increase the purchasing power of every dollar; included also are rules for well balanced meals in addition to a suggested menu for one week.

There are hints on conservation and some excellent cooking rules with a suggested shopping list for a family. The Department of Agriculture is distributing copies.

Studies have shown that mothers and 'teen aged youngsters are the worst fed Canadians. Ottawa is asking them, particularly, and everybody in general, to pay more attention to vitamins and calories.

It's being stressed that cooking is as essential as the materials from which a meal is prepared. A recent radio broadcast by the Director of Public Information told housewives:

"Your food ammunition will be a dud if you have cooking failures, if you kill the vitamins in cooking—if foods lose their flavor—if you use too much water in cooking vegetables and throw away the liquid from them. It will be a dud if you cook it too much—if you waste left-overs—if you waste by paring too thickly—if you throw away fats and bones —if you waste fuel in the process of cooking.

"We can't all be big shots but we can be good shots. In the home battle our food ammunition must be good—our he[illegible] our children's health must be good.

"Your newspapers, your radio, your magazines all carry material designed to build up your knowledge of nutrition. Make use of them. Attend the nutrition classes which are arranged in your community. The important thing, however, is [illegible] this knowledge in [illegible] [illegible] Atlantic is [illegible] main so the [illegible] the Home Front is important to us. We housewives of Canada are called on to fight —and we must and furthermore we shall win."

DAVID ET FRÈRE
LIMITÉE

Incorporated in June, 1928 to acquire the business and assets of David Frère.

Established 1905

Makers of Fancy and Plain Biscuits

OFFICERS

President—de Gaspé Beaubien. *Vice-president*—F. A. Béique.
General Manager and Secretary-treasurer—L. R. Philie.

DIRECTORS

de Gaspé Beaubien, L. R. Philie, Georges O. Soucie,
F. A. Béique, Emilien Gadbois

Champlain St. — MONTREAL, P.Q.

Millers Meet War's Challenge— Have Vital Role Feeding U. K.

War has brought in its wake greatly increased domestic demand, a matter of considerable importance to an industry established on a basis of large exports but stifled in outside markets for some years. Reflecting more employment and higher incomes, use of flour rose in Canada but not so much as did use of the millfeeds for livestock. Our huge commitments to supply bacon for Britain meant far greater quantities of feeds needed and all millers produce feeds as a by-product of their milling process.

Then there has been a recovery in export demand, largely due to Britain's needs. Russia, too, has been in the market for Canadian flour in the past year on a large scale but the Canadian milling industry has been able to meet all demands without difficulty.

April Sets Record

The result is reflected in rate of operations. Canadian flour mills produced 1,960,900 bbls. of flour in April this year, bringing it to a top production figure for any month of the crop year and the highest April output on record.

Total production for the nine months of the crop year which ends July 31 next for wheat flour has reached 15.2 million bbls. which compares with 13.2 million bbls. in the corresponding portion of the previous crop year. Percentage of output to capacity in April was 87.7% compared with 74.8% in April a year ago.

Exports are keeping pace with production. In April this year Canada exported 1.1 million bbls. The export figures of May are lower at 921,843 bbls. but the five months of 1942 have seen 4,755,927 bbls. exported against 3,711,216 bbls. in the 1941 period and smaller amounts in 1940 and 1939. Around 50% of the total output is being exported at present, a percentage well above recent averages.

While the milling industry's chief product is wheat flour and its by-products, this is by no means its only product. The statistics list oatmeal, rolled oats, corn flour, buckwheat flour, pot and pearl barley. All of these products are important although produced in much smaller quantities than wheat and its products.

In turning out 1,960,800 bbls. of flour, Canadian millers ground 8,688,654 bus. of wheat in April this year. To produce 15.2 million bbls. as was done in the first nine months of the crop year, required 68.1 million bus. of wheat.

Outstanding event in the flour milling industry of Canada in recent years has been the adoption of the Dominion government-sponsored "Canada Approved" flour. This new flour has to conform to definite standards with particular reference to vitamin content.

By varying the milling practice, it has been possible to retain 400 international units of Vitamin B_1, or thiamin. For years we have been using our ingenuity to remove from white flour that part of the wheat which contains most vitamin B and fed this important food to livestock. For months since the war started doctors and scientists, with encouragement from the millers, have been trying to find a way to retain the vital food value.

Now they have succeeded. The search for vitamins in wheat was carried on under the leadership of Canada's outstanding scientists. The wheat berry was cut into quarters. The wheat germ was taken out and each part sent to testing laboratories in Toronto.

Researchers peeled off the golden coat of the berry and found that instead of being a mere waterproof covering, it consisted of half a dozen layers—bran at the outside, fine layers of waxlike substances. Each layer became whiter in color as they worked inward. They discovered the fats and oils in the germ but the vitamin had nothing to do with the fats and oils. Therefore, it was argued the presence of the vitamin in the flour would not alter its keeping qualities nor its baking qualities.

Wheat Varies

They learned that the germ does not contain the bulk of the vitamin. This occurs chiefly in the inner layers at the base of the kernel and is recoverable separately from the bran. They learned that the dryness of the wheat when milled has a lot to do with the recovery of the vitamin. If wheat is milled with 12.5% moisture the recovery of vitamin content per pound of flour is 365 international units; if milled at 15.5% moisture content, the recovery is only 254 I.U. They found that different wheats run varying vitamin content per pound. Regent and Renown give 820 I.U. per lb.; Thatcher yields 700 I.U.; Apex and Marquis, 670 and 645 I.U. respectively; Garnet is lowest with less than 600 I.U. On the average western spring wheat contains about 650 I.U. of thiamin per lb.

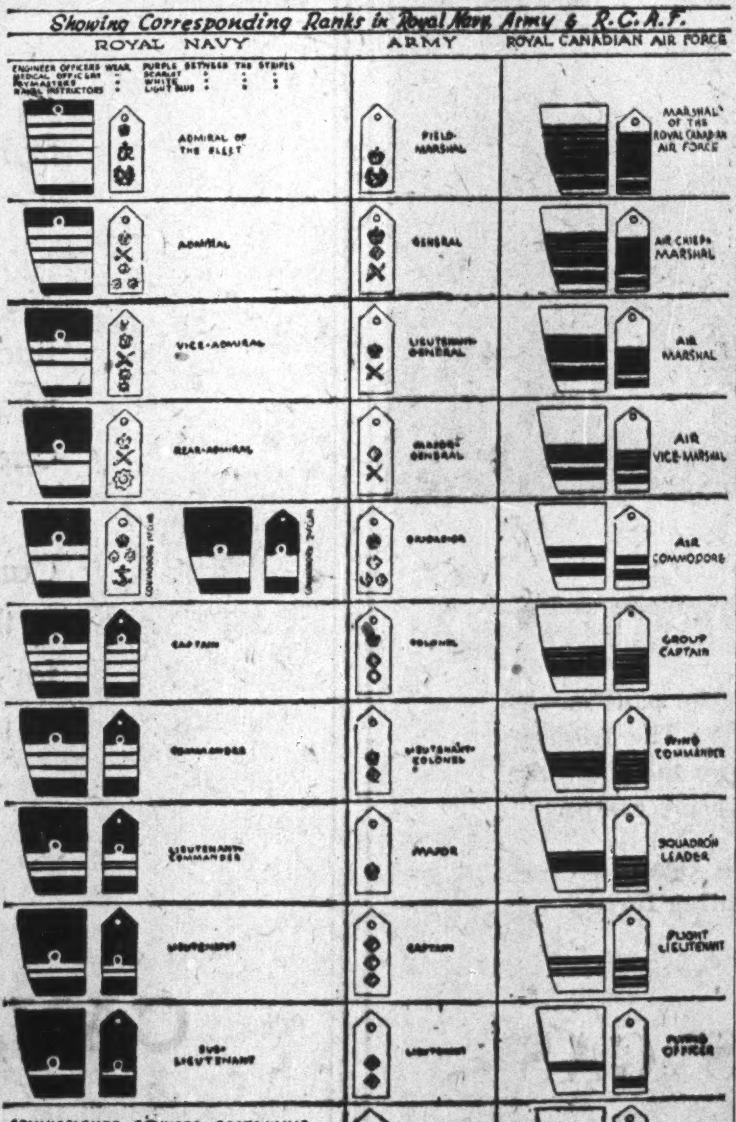
The old milling processes for white flour, however, discarded 75% of the vitamin content leaving white flour only about 160 I.U. per lb. In producing this flour millers used from 73 to 75% of the wheat. For the new flour they use 78% of the wheat kernel.

While the victory in the efforts to retain the vital vitamin content of the wheat may be practically won even if there is a reluctance to give the new flour complete and enthusiastic acceptance, the war has meant other things for the milling industry.

Food for the Forces A Small Mountain

More than 30 million pounds of foodstuffs for Canadian armed forces were purchased during a recent one-month period by the commissary division of the Department of Munitions and Supply.

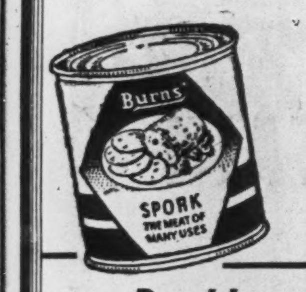
These Are Insignia of Rank For Canadian Officers



Fighting Food *for a* Fighting Nation

MEAT is one of the most nourishing foods that Nature has provided for man. Its vital food elements are more than ever essential to a nation at war. In Canada's March to Victory meat must be provided for hard-training combat forces, for Victory striving civilian workers — for a nation geared to win. Helping to provide that meat, helping to assure a steady and high-quality supply . . . is a Victory factor for which the six plants and numerous branches of these pioneer meat packers of the Canadian West are fully mobilized.

Meeting the needs for a tasty, nourishing, ready-to-serve meat product is Burns' Spork — a pure pork product sold in 12 oz. tins of solid meat — all nourishment — no waste.



Providers of Bacon for Britain

BURNS & CO. LIMITED

The Pioneer Meat Packers of the Canadian West

The Food Front is Vital

WHETHER for the needs of combatants or civilians, food can win or lose any war.

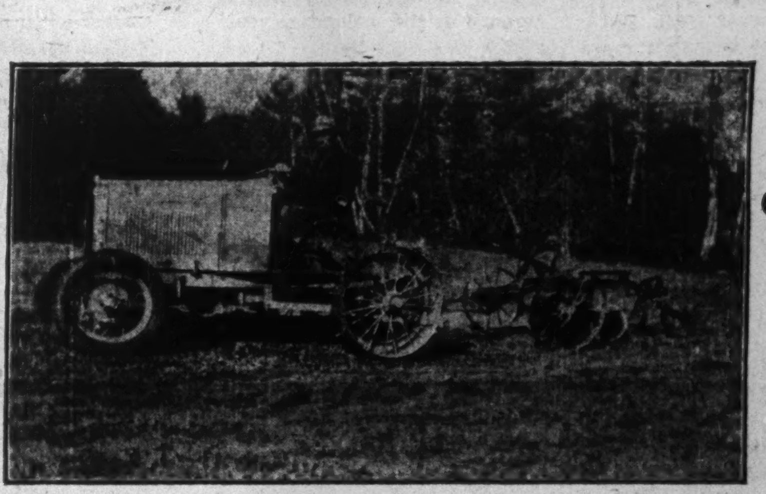
The advantage in this important phase is decidedly with us and our allies. We are glad to be playing our part in delivering, here and abroad, dairy products of sustained quality and in quantities that constitute a valuable contribution to the United Nations war effort.

Silverwood's dairy products

SILVERWOOD DAIRIES, LIMITED

AUTOTRAC
DOES THE WORK OF FOUR HORSES
BETTER, FASTER CHEAPER

only a few hours work



to change old car over

The production of food is one of the most essential items of the war effort program.

Scarcity of farm labor is seriously handicapping food production. It is on the smaller farms, raising diversified crops — bacon, beef, eggs, milk, that the shortage will most be felt.

One man with a tractor, or a substitute for a tractor, can do the work of two or three men who use horses.

The purchase of a tractor involves an investment of approximately $1,000 and any substitute costing a lesser sum would leave funds available for other meritorious purposes. An Autotrac attachment and power unit will cost about one quarter of this amount.

Autotrac requires as its power factor a second hand automobile which can be bought for $100 or probably less.

Although the Autotrac duplicates the work of a tractor, the metal used in its manufacture is less than twenty per cent. of the quantity needed for such a tractor.

The Autotrac has been produced in Canada for over three years and is serving nearly two thousand farmers who have put in from one to three crops with the machine.

The economy of the Autotrac from the standpoint of fuel consumed compares very favorably with the performance of the average tractor.

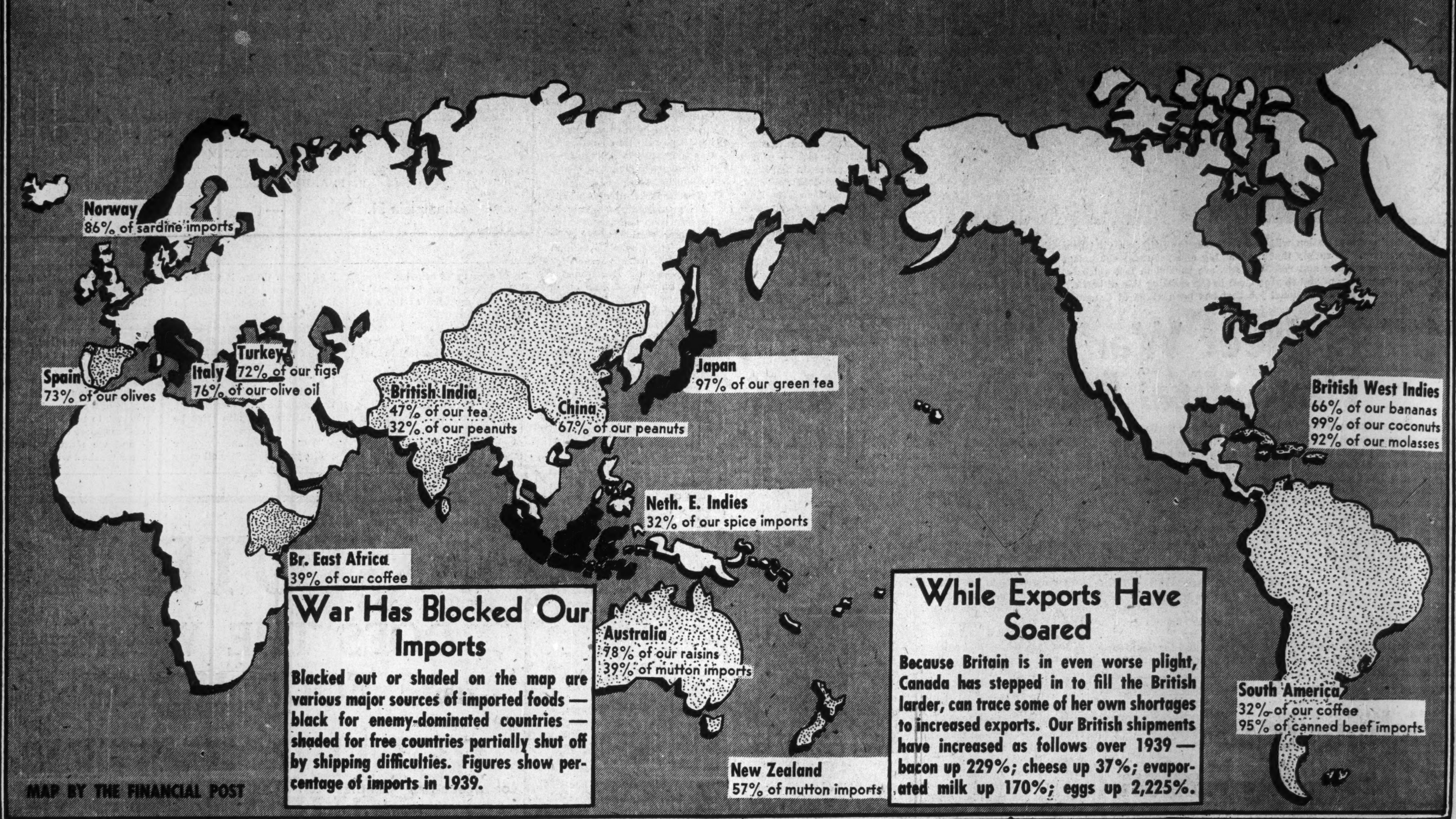
AUTOTRAC
LOW COST FARM POWER

OTACO LIMITED

MANUFACTURERS — FOUNDERS — ENGINEERS

ORILLIA ONTARIO

How War Has Changed Canada's Food Horizons



BAKING BREAD for the ARMY

Typical of modern automatic gas ovens where bread, biscuits and cakes are baked for soldiers and civilians is the installation pictured above. This particular photograph is by courtesy of Christie Brown & Company, Ltd.

Bread for the Army today is mighty tasty—made under the most modern baking conditions.

Into gas ovens goes the moulded dough. The pans move through the baking chamber automatically. The freshly baked bread leaves the oven and slides down the chute to be sorted, packed and shipped to nearby army camps.

Many factories are using gas — the quick, clean fuel — to help feed, clothe and arm Canada's fighting forces.

Industrial Division

The CONSUMERS' GAS COMPANY

124 Richmond St. W. AD. 6941

CANADA'S FOOD FOR BRITAIN

Vital items in the food ration of the Britisher are:—

Bacon, Eggs, Cheese.

Canada is now Britain's principal source of supply of these foods.

As compared with pre-war 1938, shipments from Canada to Britain in 1942 will be:—

	1938:	1942:	Increase over 1938:
Bacon	169 million lbs.	600 million lbs.	255%
Eggs	1½ " doz.	40 " doz.	2567%
Cheese	81 " lbs.	125 " lbs.	54%

Canada Packers Limited has been privileged to serve to the capacity of its Plants in the production of food for Britain.

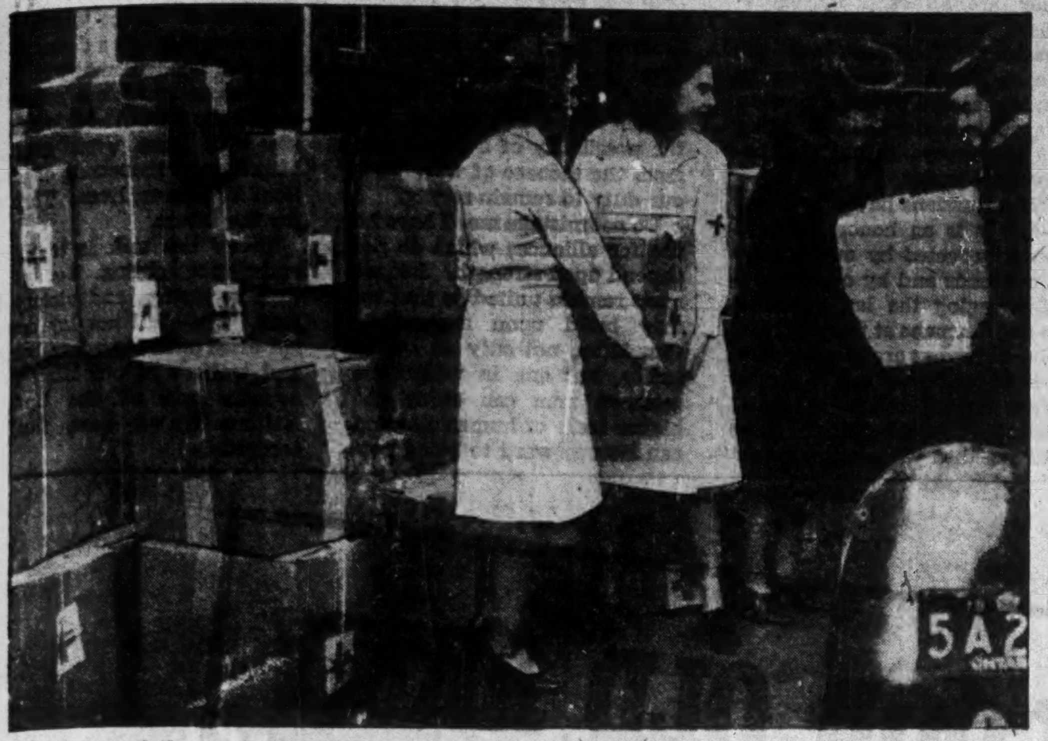
Plants at: Toronto, Montreal, Peterborough, Hull, Winnipeg, Edmonton, Vancouver.

CANADA PACKERS LIMITED

(Maple Leaf Brand)

Packaging Industry Meets War Challenge

Few Products Off Market Despite Tinplate and Glass Shortages in Canada



Tens of thousands of boxes are packed in the run of a year by the Canadian Red Cross—comforts for soldiers, medical supplies, parcels for prisoners, relief goods for victims of enemy bombing raids. The parcels for prisoners, transmitted through the International Red Cross to enemy countries, weigh 11 pounds each and contain foodstuffs scientifically selected.

When you buy cigarettes in England you don't get them in a new box. You take your old box along and have it refilled.

Things haven't reached this stage yet in Canada and probably won't. But a straw in the wind is the fact that the government has prohibited the destruction of old toothpaste and shaving cream tubes and made provision for them to be collected at drugstores.

Wartime shortages of metals, glass and other materials have already revolutionized our packaging industry. The leaders of this industry are taxing their ingenuity to keep a jump ahead of the restrictions imposed on them by Ottawa. At the same time they are trying to maintain the "eye appeal" of merchandise, and in most instances succeeding.

All kinds of substitutes are being used.

Makers of collapsible tubes, for instance, up to the start of this month were allowed to put 12% of tin in them. This was combined with lead and antimony. Now the tin content is reduced to 1½%, and a new type of alloy has been developed made up of 1½% tin, 2% silver and 96½% lead.

A long list of items no longer may be packed in tin cans. Included are baked beans, pork and beans, spaghetti, macaroni, ready-to-serve soup. The varieties of fruits and vegetables which may be packed in tins are limited, with apples, carrots, beets and white beans eliminated. The 1942 pack of certain fruits and vegetables is limited to a stated percentage of last year's, and can sizes for all packs are simplified and standardized.

Today's "tin cans" for the most part contain no tin. They are made with black iron coated with lacquers and enamels.

These serve for preserving meats and vegetables but will not do for some kinds of fruit, the acid in which eats through the lacquer and attacks the metal. For the few essential foods which can't be packed in such cans, there are black iron containers with a thin coating of tin.

There's a pronounced trend in the direction of glass containers, to overcome metal shortages. Difficulty here is that glass manufacturers are short of equipment to step up production. Glass factories are running full blast.

Meanwhile, glass containers are being standardized, so as to cut costs and speed production. The openings on some kinds of glass containers are being made smaller, so the caps will require less metal.

Very small sizes of cans, tubes and bottles are being cut out as uneconomical.

Canada is said to have adequate supplies of paper and paperboard for packaging needs. Quite a range of groceries formerly put up in tins or bottles now have paper containers. Tea and coffee are examples, as are cocoa, peanut butter, and some powdered products. The paper packages can be so treated that they are moistureproof, and some are capable of holding liquids.

Pharmaceutical lines are more and more being packaged in paper — pills in cardboard boxes instead of tins or bottles. This also holds for cosmetics. (In Britain, even toothpaste now goes into paper containers.)

The shortage of packaging materials has contributed to the recent development in dehydrated foods, although in the case of most of these the prime factor has been that dehydrated products are easy to ship to Great Britain.

There have been changes in the "packages that hold the packages"—the boxes in which merchandise is shipped from the manufacturer to the wholesaler and retailer. Railway companies have modified their standards of thickness of shipping boxes, permitting the use of lighter materials so as to save paperboard. Makers of shipping containers have urged customers to pack more units in one container.

Thus canned goods which may have been shipped previously in boxes of 10, 16 or 20 are being shipped in boxes of 48.

Similarly, in some instances the partitions in cases of bottled goods are being abbreviated. They still serve the purpose of keeping the bottles from bumping one another but no longer reach all the way, or nearly all the way, to the cover of the case.

Apart altogether from the need of saving packaging materials, there has been a cost cutting aspect. Some of the regulations have emanated from controllers of materials, but others have been promoted by the simplification division of the Wartime Prices and Trades Board. This division has the duty of keeping down production and distribution costs, so the retail price ceiling will not be punctured.

In a number of orders issued lately by the W.P.T.B. there have been specific provisions about packaging. These have curtailed frills which developed as a result of keen competition and added to production costs.

In addition retailers are being urged to use only such wrapping as is absolutely necessary on parcels for delivery. It has been found that most things we bought were overwrapped—this as a matter of long established practice. They can be done up just as attractively and delivered just as safely without nearly so much material being used.

So far gas hasn't been used to any extent in this war, but when and if it is, Canadians will be ready. Here is a squad of Canadian infantrymen getting accustomed to their respirators. Every soldier learns about the different kinds of gas he may some day have to face, and receives instructions in gas protection and decontamination.

Canadian Army Officers With Comparative Ranks

Income estimated on rate of pay and allowances payable to a married man with two children living in quarters. Air Force rates for general flying list.

ARMY	NAVY	AIR FORCE	U. S. ARMY
Lieut.-General Commands two divisions or an army corps (Yearly income $8,308)	Vice-Admiral (Income confidential)	Air Marshal (Income confidential)	Lt. General (Not revealed)
Major-General Commands a complete division ($7,760.50)	Rear-Admiral (Income confidential)	Air Vice-Marshal (Income confidential)	Major-General ($9,944)
Brigadier Commands a brigade of infantry or a division of artillery ($6,848)	Commodore (Yearly income, $7,407)	Air Commodore (Yearly income, $7,943)	Brigadier-General ($7,944)
Colonel Second in command of a brigade ($5,388)	Captain ($6,497)	Group Captain ($6,483)	Colonel ($7,944)
Lieut.-Colonel Commander of a battalion or a regiment of artillery $4,658)	Commander ($4,672)	Wing Commander ($5,388)	Lieut.-Colonel ($7,271)
Major Commander of a company or second in command of a battalion or a battery of artillery ($3,776.75)	Lieut.-Commander ($3,685.50)	Squadron Leader ($4,506.75)	Major ($6,066)
Captain Second in command of a company or a troop company of artillery ($3,260.50)	Lieutenant ($3,066)	Flight Lieutenant ($3,990.50)	Captain ($4,584)
Lieutenant Commander of a platoon or a section company of artillery ($2,653)	Sub Lieutenant ($2,636.25)	Flying Officer ($3,383)	First Lieutenant ($3,704)
2nd Lieutenant Similar duties to a lieutenant ($2,379)	Commissioned Gunners, Boatswains, etc. ($2,372.50)	Pilot Officer ($2,989.25)	2nd Lieutenant ($3,024)

FLOUR!

One of the Sinews of War

THE basic foodstuff of peace-time peoples has become a wartime essential for the health, strength and morale of the fighting forces and civilian populations.

The great ingredient of the Staff of Life — FLOUR — must flow in unending quantities to those who, with Canada, resist the common foe.

Canada's milling companies proudly accept the substantially increased responsibilities placed upon the milling industry by the United Nations' total effort to defeat the forces of barbarism.

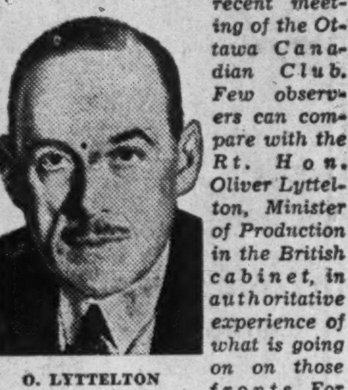
The industry is sparing no effort to see that adequate supplies of flour go unceasingly to the armed forces, and to civilians on the home fronts, of such of the Allied countries as can be supplied from Canada's great granary.

The
Canadian National Millers Association

LAKE OF THE WOODS MILLING CO. LIMITED
MAPLE LEAF MILLING CO. LIMITED
McDONALD & ROBB LIMITED
OGILVIE FLOUR MILLS CO. LIMITED
ROBIN HOOD FLOUR MILLS LIMITED
ST. LAWRENCE FLOUR MILLS CO. LIMITED
WESTERN CANADA FLOUR MILLS CO. LIMITED

Britain's Production Minister Reports on the United Nations

Few more comprehensive reviews of the United Nations' production and fighting fronts have been presented to Canadians than to the recent meeting of the Ottawa Canadian Club. Few observers can compare with the Rt. Hon. Oliver Lyttelton, Minister of Production in the British cabinet, in authoritative experience of what is going on on those fronts. For these reasons, The Financial Post presents herewith the bulk of the text of his address. Mr. Lyttelton's speech followed a survey of U. S. and Canadian war industry, background for the thorough integration of United Nations production now in progress.



O. LYTTELTON

One of the few pictures ever taken showing a jeep with all four wheels on the ground. This shows a purely temporary condition, for it takes more than an ordinary sand dune to stop these jouncing midgets.

When Canada turned from her peaceful occupations into the manufacture of weapons for war, I had some idea of what to expect. But, in common with most of my countrymen, I find that our expectations have been far exceeded.

In terms of money, Canada will produce in 1942 twice her total production in 1941. She is producing over 12,000 guns, excluding small arms and automatic personal weapons, each year. The ammunition programme is far in front of the forecast. Many of these plants are producing nearly twice their rated capacity.

The production of aircraft is 117% above what it was at the beginning of 1941. Not only is the aircraft of the highest quality, but it is turned out in ever-increasing numbers to make its contribution. The production of explosives and chemicals is ten times as great in the first quarter of 1942 as in the first quarter of 1941, and there are other instances where the production is 1,000% above what it was.

And many of the things have never been produced in Canada before.

Not only this but there are many very critical and difficult components of war which we have required very urgently in Great Britain, and about which we have asked Canadian help, and we have received it in overflowing measure.

Canadians in England

Leaving production for a moment, let me say something about the Canadian forces in England as I have seen them. They have been trained in a very hard school, and in them you have a force of which you have every reason to be proud, and a force of which you have every reason to be sure. They are commanded by a man whom I know and who appears to me not only to have a deep knowledge of war and its history, but to combine with that the ingenuity and resource of an engineer.

I am going to indulge in prophecy; I prophesy that when the opportunity arrives General McNaughton and the Canadian Expeditionary Force will write a page in history of which the Mother Country and Canada will be proud.

As I have just come from Washington, I think you would perhaps like to hear something of what I saw of American production. It would seem that I have been trying to follow the example of Canada and integrate the production of Great Britain with that of the United States.

By integration I mean, first of all, that production should be in close harmony with strategy, and that is one of the most vital things which we have had to do in the whole of our vast organization for war. We have to secure not only that the programme upon which the forces are expanding is reached, but also that that is consistent with the greatest possible impact on the enemy on any given date. It is a difficult task, and we are getting on well with it.

You have already shown the way, and now we can look to the production of the North American continent as a single unit. Shortly the whole programme will be brought into line. Of course there are also technical considerations where actual battle shows that we must change our weapons. There again we need a close touch between the services and the production so that we can begin to alter our types of weapon as soon as the situation calls for it.

Now, talking about the volume of production, the Axis Powers made war upon us very much sooner than they made it upon the United States, and consequently the total volume of production of munitions of war in Canada and Great Britain has far exceeded the total production in the United States, and their rate of production has only recently reached, and just the other day surpassed, our own.

I may tell you that we made in England a calculation of when American production would surpass ours, and our calculation was 45 or 50 days out. I told Mr. Nelson that I attributed this mistake to the fact I had not included him in the calculation.

What you can hear in that country—I could almost say what you can feel—is the hum of the machines. You recognize that this is a production which has now got into its stride and nothing will stop it. One corporation alone will shortly be producing products to the value of four billion dollars a year; which is equivalent to building the Panama Canal once every six weeks. And if you saw the other mass-production jobs that are being done at the Chrysler arsenal and at Willow Run, if you were a German, I think you would take out naturalization papers as quickly as possible.

We are at a stage of American production where the future is going to double and treble what is now happening.

We Lead the Axis

I am quite confident that the combined production of the United States and Great Britain, let us say in aircraft, far exceeds the total production of the three Axis powers. That is at this moment. And if we add to that the production of our gallant Russian ally, of which we do not know accurate figures, you can see that already, in the air, the doom of the Axis is spelled out in absolutely certain fashion.

In talking of these things I feel that we have reached a stage in our production where we can safely make the figures more public and do it more often than we have been doing. After all, it is only sense that you conceal something which you do not want the other man to know about, but I feel deeply that we have now reached a point where anything that he learns in the field of production is only going to frighten him—and I have no objection to frightening him. I think that we should from now on pursue a policy of greater publicity on these matters.

Another remarkable thing that you notice in a city like Detroit is the singleness of purpose with which the whole industry is getting on with the job. I never heard the mention of an automobile in Detroit at all. Everybody is thinking about guns and shells and tanks.

The large-scale air raids which we have launched against Germany in recent months will paralyze a large part of their industry. It so happens, by a coincidence, that out of the 1,036 bombers which bombed Cologne not one was of American manufacture. There were in that force 828 officers and other ranks of the Royal Canadian Air Force and about 70 aircraft of the Royal Canadian Air Force.

I mention the fact that there happened to be no American bombers there merely to show that those who think that this is all are quite wrong. That night the American bombers were on another task, the nature of which we have not disclosed. As the stream of our American bombers keeps on increasing, so will the impact on the enemy. I can assure you there are far worse things to come for him.

Britain Delivers

Let me tell you something about the Mother Country. I must confess that at times during the last twenty years I have wondered whether the enterprise and vitality—which had built up, upon the foundation of justice and self-government, the largest Empire the world has ever seen—I have wondered whether those qualities, with the genius of our people, had not been lost and whether we had not sunk into a state of apathy, which is the first sign of decay. But it is not so. The resolution and steadfastness and, above all, the enterprise of the country has flowered under the dangers with which it has been beset.

The people of Britain have not only won things like the Battle of Britain, a spectacular victory, but they have done harder things, things which are not known to many outside the British Empire.

They have denied themselves many of the things which had come to be regarded as the necessities of life. We have, for example, ruthlessly cut down unnecessary industries. We have stopped the luxury industries entirely. We have reduced the production of the less essential industries between 10 and 35%. We have concentrated that production in two or three plants. We have set aside and thereby freed the other plants, their labor, their machine tools and their factory space, for the production of munitions.

We have rationed food to a point where the meat ration for every one of the population is now only about 25 cents' worth per week.

I was President of the Board of Trade myself at one time and was responsible for the rationing of clothing. I may say that rationing of clothing released 450,000 workers for other work in the munition field. A woman today in England can buy one dress, one coat, one pair of shoes, one set of underclothes and four handkerchiefs per annum. We have conscripted every man and woman in the country either into the armed forces, industry or civilian defense.

They cannot work where they wish; they work where they are directed. We have taken men out of highly paid light industries and have put them back into the mines and into heavier work at lower wages.

We have reached a mobilization which no other country, even any of the totalitarian states, has ever reached.

Again, as I told an audience the other day, 77½% of the boys between the ages of 14 and 17, and 67½% of the girls between the same ages, are now working in industry. The total population between the ages of 14 and 65 is 33 millions and 22 millions are now fully employed. Those figures include no part-time workers. The other 11 millions, of course, are married women with young children, the sick, and so forth.

In all this—and some of the disturbances which the state has brought into the lives of our citizens have been very great—there has been virtually no industrial dispute. The total loss of working hours since the beginning of the war has been less than one hour per workman per year.

We are producing today 257,000 tanks, jeeps and other mechanical vehicles. We are producing between 40,000 and 50,000 guns, and, excluding the lighter calibre, we are producing more than 25 million shells for them. We are producing millions of small arms, and over 2,000 million rounds of ammunition.

We are spending some 60% of the total national income on the war; and this, I think, is within reasonable reach of the maximum which can be obtained from any country where there are not large accumulated stocks of civil necessities.

Desert Warfare

I must now turn for a moment to the actual battlefront and shortly describe what is happening in Libya.

These battles in the desert have some resemblance to a naval battle, but the analogy cannot be carried too far. There are no lines of defense. The key points, of which there are very few, are turned into defended localities, and round these islands the tank battle swerves in great confusion.

One afternoon when I was there Rommel attacked from east to west, and the next morning from west to east. At one time a small column of tanks and trucks attacked the rear army headquarters inside the frontiers of Egypt: it was attacking, therefore, due east. The army headquarters cleared it up and recaptured sixteen British prisoners who, as you see, were at that time going in German trucks toward Cairo.

One of the German generals said that the desert warfare was the tactician's paradise and the quartermaster's hell. That is an extremely apt description.

Last year it was generally thought that a British army — an Imperial army, naturally — had defeated Rommel decisively in the east side of Cyrenaica and had in its turn been defeated south of Bengazi; but that was not at all what happened. What happened was that we made the original attack with several divisions, but owing to the supply difficulties south of Bengazi we could only pursue the enemy with the equivalent of two brigade groups. That was the force that was defeated, and this defeat involved the loss of a lot of territory. It was only the pursuing detachment which ran into trouble; not the main force, which had inflicted such a severe defeat upon the German general.

The present battle, as far as I can read it, is a very tough one and is in the critical stage. I was very confident, and I am still confident, that the vital parts of the desert upon which depends the defense of Egypt will be held. But the battle sways to and fro. We have inflicted very heavy losses on the German tanks and upon the Italians. We have suffered severely ourselves.

There are two other phases of the war on which you would like to hear. I think I must say something about Malta. Malta is an island which is only 17 miles long and 9 miles broad. It is separated from Alexandria, or from Gibraltar, by about 1,000 miles, and it is 58 miles from the enemy's airdromes in Sicily.

It is a fact that for a long time a large percentage of the German Air Force was engaged in trying to neutralize Malta. It had, last week I think it was, its 2,300th air alert, and it has shot down into the sea nearly 600 enemy aircraft; and that figure of 600 enemy aircraft is the certain total of what the Royal Air Force call the "splashes" in Malta, and takes no account of the wounded ducks that do not get home to their base. I think that is, in its way, an epic defense.

The other thing to which I should like to refer is the convoy of supplies — much of which is made in Canada—to Russia. The American and British mercantile marine, in these convoys, have to face dangers which one can hardly believe they could face so steadily as they do.

The ice at this time of the year comes down from the Arctic Circle and narrows the lanes through which these convoys have to pass. They are liable to be attacked in the flank by German subs based in the Norwegian fiords. As soon as they get along the wintry and tempestuous coast of Norway they are liable to attack; and when I say "liable" it is certain that they are attacked by shore-based aircraft and by submarines. The job that the Royal Navy, now helped in large measure by the American Navy, has done in fighting these convoys through is beyond all praise.

The Russians have the honor —and it is an honor which is deeply coveted by our American friends and by ourselves— of engaging the largest number of Germans at this moment. These convoys are of the greatest importance, and I know from having talked to them, that the Russians now really believe that we are not paper allies, but real allies who are going to remain with them till the end.

Well, the pageant of an Empire at war—and I cannot in a short time do more than refer to the deeds which I myself saw performed by the Australian, New Zealand and South African troops — this pageant of an Empire at war is a truly moving spectacle. But it is more than that. In this union, and in this alliance with the United States of America, lies the possibility of a world free from the menace of war. It is our duty to remain strong.

Do not mistake me. I have no use for alliances which do not depend upon strength. But we must remain united so that we may build upon a common foundation not only an age of safety, but one in which the common man can enjoy the higher scale of human life and can look forward to being better nourished, better educated, than he has been in the past.

In all these matters the British Empire has a great part to play, and when the smoke of battle has cleared away and we can once more discern the peaceful outlines of our hills and valleys, then is the time that we must realize that the struggle for peace which lies before us requires a determination and a magnanimity no less than those which are required to win the war. And this struggle will have even greater effect upon thousands of millions of human lives. That is for the future.

Today the task is to fight, and we are fighting. Today the task is victory, and victory is sure. We shall not lay down our arms until the safety, honor and welfare of our King and country and all the United Nations have been finally secured.

THE GOOD OLD ARMY

THE GOOD old army is still the backbone of our fighting forces. Ready, willing and eager, it awaits only the right moment to step in and do the big job for which it is designed and trained.

When the Air Force rules the air and the Navy rules the sea, it still rests with the Army to deliver the *coup de grace* to our enemies. To it belongs the task of "physical occupation" with which the war must successfully end, and when that time comes, as come it will, the Army will be on the job ready to make the Kill and do the mopping up.

Modern weapons and new methods of warfare may have altered the role the Army plays in the great drama of war, but it is still the indispensible branch of the service, as necessary as it was in the days of a Marlborough, a Wellington, or a Roberts. Let us not forget the vital part it is playing and will continue to play in this war, and give it our whole-hearted, sympathetic support and encouragement.

This Company encourages the enlistment of employees in the Army, both Active and Reserve. To each enlistee it guarantees his job back on his return to civil life, pays his sickness and group life insurance premiums while he is on Active service and remits to him each month the difference between his Army pay and what his job formerly paid him.

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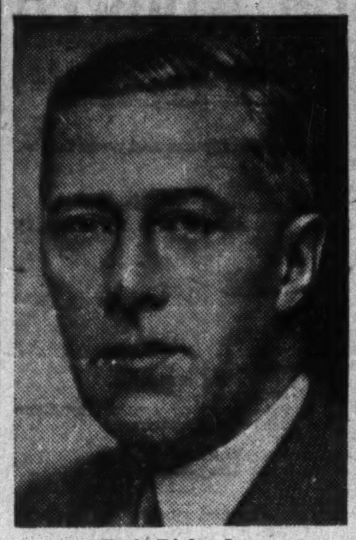
Oil and War Metals Sharing Dominion's 1942 Field Work

Metals and minerals in which the Canadian production is far short of war requirements are receiving most of the attention this year in field work being undertaken by the Mines and Geology Branch, Department of Mines and Resources, Ottawa.

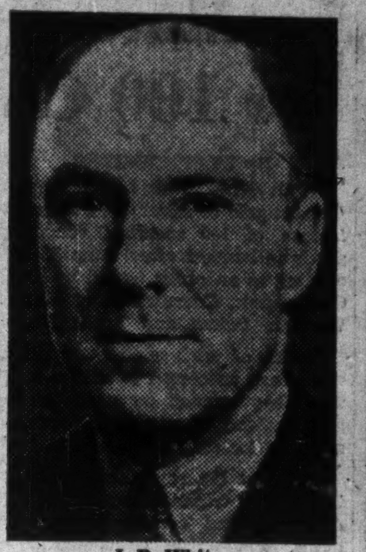
Altogether 28 geological parties are taking the field and 17 of these will be engaged in the examination and search for deposits of the ores of tungsten, chromite, manganese, fluorspar, mica, graphite and other strategic minerals, supplies of which are becoming increasingly difficult to obtain.

Details of the most important parties are as follows:

Mineral	Specific Field	Head of Party	Work To Be Done
		YUKON	
Scheelite (tungsten)	Dublin Gulch—Arizona Creek	H. S. Bostock	Examine placer, lode deposits
		NORTH WEST TERRITORIES	
Scheelite	Tibbitt Lake	Dr. A. W. Jolliffee	Examine and hunt lode deposits
Scheelite	Tumpline Lake	Dr. E. D. Kindle	Examine and hunt lode deposits
		BRITISH COLUMBIA	
Chromite	Schulaps Mtn., Bridge River	A. F. Buckham	Examine mapped deposits
Chromite	Mitchell Mtns., east of Takla	C. S. Lord	Examine known deposits
Chromite	Northwest of Trembleur Lake	J. E. Armstrong	Examine known deposits
Chromite	Northwest of Trembleur Lake	H. W. Little	Examine known deposits
Chromite	Northwest end Stewart Lake	A. H. Lang	Examine known deposits
Chromite	Ashcroft-Clinton	H. M. A. Rice	Examining and prospecting
Chromite	Near Cascade East of Grand Forks	W. E. Cockfield	Examining and prospecting
		PEACE RIVER	
Oil	North of Commotion Creek	H. H. Beach	Looking for structures
Oil	North of Commotion Creek	J. Spivak	Looking for structures
Oil	West & south of Hudson Hope	J. W. Spence	Topographical mapping
Oil	West & south of Hudson Hope	J. V. Butterworth	Topographical mapping
Oil	West & south of Hudson Hope	R. J. Parlee	Topographical mapping
Oil	West & south of Hudson Hope	W. B. Dingle	Topographical mapping
Oil	West & south of Hudson Hope	M. E. Nidd	Topographical mapping
		ALBERTA	
Oil	Dyson Creek West of Turner	C. O. Hage	Mapping structures
Oil	Between Cardston & Pincher Creek	R. T. D. Winckenden	Mapping structures
Oil	Between Cardston & Pincher Creek	J. S. Stewart	Mapping structures
Oil	Between Cardston & Pincher Creek	G. Shaw	Mapping structures
Oil	Between Cardston & Pincher Creek	F. H. McLearn J. F. Henderson	Mapping structures
Oil	Southwest of Turner Valley,	J. A. Macdonald	Revise and complete mapping
Oil	Dyson Creek West of Turner	A. C. Tuttle	Mapping south of Dyson
		MANITOBA	
Base metals	Tartan Lake near Flin Flon	J. D. Bateman	General work
		ONTARIO	
Oil & gas	S. W. Ontario	J. F. Caley	Investigate present fields
Scheelite (tungsten)	Northern gold mines	H. C. Cooke R. E. Folinsbee	Investigating occurrence
War minerals	Various areas	M. E. Wilson T. L. Tanton	Also Rouyn mapping
		QUEBEC	
Copper & zinc	Bourlamaque, Louvicourt	G. W. H. Norman	Geological mapping
Chromite (Ore of chrome)	Webster Lake, Eastern Twps.	J. W. Ambrose	Examining and prospecting
Chromite (Ore of chrome)	Webster Lake, Eastern Twps.	Y. O. Fortier	Examining and prospecting
Oil	Anticosti Island	V. J. Okulitch	Searching for oil structures
		NEW BRUNSWICK	
Oil	Sussex & Millstream	F. J. Alcock	Seeking oil structures
		NOVA SCOTIA	
Fluorspar	Lake Ainslie—North Cheticamp	W. A. Bell	Investigating deposits
Iron	Londonderry & Bass River	J. J. Weeks	Iron and other minerals



T. A. Richardson



J. B. White

—Milne Studios Limited.

G. W. Nicholson

Toronto Stock Exchange Officers

Members of the Toronto Stock Exchange have elected by acclamation their officers and governing committee members for the coming year. T. A. Richardson is re-elected as president, W. G. Malcolm as vice-president and Hector M. Chisholm as secretary. J. B. White is the new treasurer and Frank G. Lawson and Gordon W. Nicholson are new members of the committee. Complete list of officers and committee members for the coming year is:

T. A. RICHARDSON, F. O'Hearn & Co., president.
W. G. MALCOLM, A. E. Ames & Co., vice-president.
HECTOR M. CHISHOLM, H. M. Chisholm & Co., secretary.
J. B. WHITE, Duncanson, White & Co., treasurer.

F. J. CRAWFORD, F. J. Crawford & Co.; E. GORDON WILLS, Wills, Bickle & Co.; GORDON W. NICHOLSON, G. W. Nicholson & Co.; FRANK G. LAWSON, Moss, Lawson & Co.; GORDON R. BONGARD, Bongard & Co.; H. B. HOUSSER, H. B. Housser & Co.

F. G. Lawson

Toronto Transportation Nears Previous Peak

Gross revenue of the city-owned Toronto Transportation Commission in 1941 was the second highest of any year in history at $14.3 millions, the record high being $14.4 millions set in 1929. Number of revenue passengers carried on the city street railway and feeder buses increased 25.4 millions or 15.14% over 1940, representing by far the greatest gain in traffic for any one year in the experience of the Commission. Number of passengers in 1941 totalled 193.6 millions, being almost 40 millions ahead of 1939, but still some 13 millions less than were carried in the peak 1929 year.

Operating expenses were greater in 1941 due to the large expansion in the transportation services required to provide for the additional passenger traffic, to a wage scale adjustment and to increased cost of material and supplies.

Sixty new street cars were to have been delivered in the fall of 1941, but due to war priorities it was impossible to obtain them until the spring of 1942. To provide for the continuing increase in traffic, orders have been placed for an additional 55 cars for delivery late this fall. The addition of these cars will increase the fleet of modern street cars to 305.

Buys Victory Loan

Capital assets in road and equipment increased $1.7 millions during the year, with nearly all of this increase being due to the purchase of new equipment. Investments in government and municipal bonds at $2.8 millions are $940,000 higher. All additional investments of surplus funds during the year were in War and Victory Loan bonds.

Debenture debt of the Commission as at Dec. 31, 1941, was $16.9 millions. As debentures having a par value of $8.2 millions are payable serially up to 1952 in U.S. funds at the holder's option, $225,000 was appropriated from 1941 earnings and credited to reserve for foreign exchange. There was established in 1941 a reserve for costs and losses arising out of the war, $575,000 being appropriated for this purpose. Principal causes for such possible losses include deferred maintenance, accelerated depreciation, obsolete equipment, and the acquisition of facilities which are urgently needed now but which may not be required in the immediate postwar period.

With the year's appropriation of $425,000 the reserve for revenue stabilization stands at $925,000. This reserve is to maintain the rate of fare on a reasonable and equitable basis. Average fare of the city system in 1941 was 6.177 cents, one of the lowest street car fares on the continent.

On the year the Commission had a surplus of $162,890 compared with $96,133 in 1940. Gray Coach Lines, a subsidiary, reported a surplus of $62,020 compared with $30,875.

Consol. Income Account
Years Ended Dec. 31

	1941 $	1940 $
Revenue:		
Railway & bus	12,057,975	10,454,234
Motor coach	1,907,805	1,391,663
Interest	99,984	82,680
Sundry	302,737	282,308
Gross revenue	14,368,501	12,210,885
Less: Cost of elec.	1,076,199	987,952
Other oper. exps.	6,909,085	5,909,287
Workmen's comp.	320,000	325,187
Loss accts. rec.	3,080	......
Net income	6,060,136	4,988,458
Less: Deb. int.	1,029,818	1,163,107
Deb. retire.	1,627,585	1,648,768
Deprec. & amort.	1,763,844	1,499,449
Contingencies	250,000	105,000
Unpresented tickets.	1,000	1,000
Foreign exchange	225,000	225,000
Rev. stabilization	425,000	250,000
War losses	575,000	......
Surplus for year	162,890	96,133

Eastern Utilities Offering Made

Offering is being made by W. C. Pitfield & Co. and syndicate of $800,000 4½% collateral trust sinking fund bonds due 1970 of Eastern Utilities Ltd., at 97½ to yield 4.65%. Eastern Utilities is an investment holding company owning all the issued shares of Canada Electric Co., Eastern Electric & Development Co., and all except 37 shares of Moncton Electricity & Gas Co. In addition it owns all the common shares of Maritime Coal, Railway & Power Co. except 114 shares and all the capital stock of Joggins Coal Co..

These subsidiaries had a gross revenue in 1941 of $1.7 million as compared with nearly $1.5 million in 1940. Net profit available for dividends totalled $181,157 compared with $162,115. Dividends paid amounted to $180,782 compared with $143,282.

Average net earnings of the company's subsidiaries available for the payment of dividends during the past three years amounted to $169,247 while dividends actually paid averaged $149,099. Of the latter amount $148,835 was received by Eastern Utilities annually. After expenses and taxes the average net income of Eastern Utilities was approximately $143,000, equal to over 2.60 times the annual interest requirements of $54,000 on the $1.2 millions of 4½% debentures outstanding. Debentures interest was earned over three times in 1941.

This information corrects a previous report in The Financial Post.

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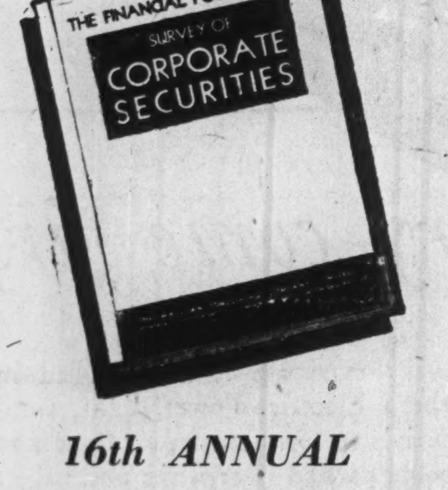

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Company Reports

Eastern Dairies

Increased costs, higher wages and operating expenses offset the larger volume of business handled by Eastern Dairies Ltd. during the year ended March 31 last. Operating profit of $593,942 was $27,000 lower than in the previous year. While a larger amount was carried forward to net income, largely due to lower depreciation, minority interest of subsidiary companies kept net profits down to $15,897, as against $21,776 the year before.

Financially the company's position underwent a moderate improvement, working capital being $102,000 larger at the end of last March. However, on May 1 the company found it necessary to postpone payment of the sinking fund payment due on its collateral trust bonds.

INCOME AND DEFICIT ACCOUNT
Years Ended March 31

	1942 $	1941 $
Operating profit	593,942	620,417
Add: Other income	2,054	2,528
Total earnings	595,996	622,945
Less: Exec. remun.	29,910	29,410
Directors' fees	3,940	3,680
Legal fees	1,112	1,581
Depreciation	296,472	372,836
Interest	145,980	147,469
Inc. & other taxes	41,000	24,019
Exchange	16,066	15,755
Net profit	61,515	28,195
Less: Sub. interest	45,618	6,419
Surplus for year	15,897	21,776
Add: Previous deficit	444,883	451,791
Less: Tax adjust.	7,314	14,868
Deficit forward	436,299	444,883
Earned per Share:		
Preferred	0.60	0.75
Working Capital		
Current assets	1,300,666	1,052,719
Current liabilities	838,659	692,404
Working capital	462,007	360,315
Balance Sheet Changes		
Cash	357,732	401,964
Investments	164,075	44,528
Accounts receivable	461,028	373,917
Inventories	316,372	230,476

Dominion & Anglo

Dominion & Anglo Investment Corp., Toronto, reports net profits for the year ended April 30, 1942, equivalent to $8.68 a share on its preferred and $4.89 a share on its common. Comparative figures for the preceding year are $7.84 on the preferred and $3.67 on the common. Common dividends last year were increased to $4 a share from $2.50.

Net profit realized on sale of securities last year was $14,630. This amount, together with $5,658 arising through purchase of 228 shares of preferred, was added to capital surplus account. This account was charged with $40,139 to reduce book value of certain investments more nearly to market value, leaving a balance of $312,547.

Net liquidating value of the company's assets at April 30, 1942, was $1.6 million compared with $1.7 million a year earlier.

Income and Surplus Account
Years Ended April 30

	1942 $	1941 $
Investment income	128,536	120,414
Less: Exec. remun.	5,500	5,500
Directors' fees	1,250	1,250
Legal fees	15	80
Other expenses	3,735	4,198
Interest	94	......
Income & E. P. taxes	5,425	7,912
Net profit	112,517	101,474
Less: Pref. divds.	63,662	64,750
Common divds.	40,000	25,000
Surplus for year	8,855	11,724
Add: Prev. surplus	55,609	43,885
Earned surplus forw'd	64,464	55,609
Earned per share:		
Preferred	$8.68	$7.84
Paid	5.00	5.00
Common	4.89	3.67
Paid	4.00	2.50
Net Assets per share:		
Preferred	$125.51	$134.49
Common	32.45	31.71

CANADA

NATIONAL SELECTIVE SERVICE

CONTROL OF EMPLOYMENT

NO EMPLOYER HEREAFTER SHALL HIRE ANY PERSON, MALE OR FEMALE, WITHOUT THE APPROVAL OF A SELECTIVE SERVICE OFFICER IN AN EMPLOYMENT OFFICE OF THE UNEMPLOYMENT INSURANCE COMMISSION

Whenever a vacancy occurs, or additional staff is required, or a lay-off of staff is anticipated, the employer shall notify the local Employment Office. He may engage only persons referred to him by, or approved by, the local Employment Office.

A local Selective Service Officer may revoke at any time, on not less than ten days notice, any approval granted by him.

Appeal from a Selective Service Officer's decision may be made in writing within ten days to the Divisional Registrar of the National War Services Board, and the decision of the Board shall be final.

EXCEPTIONS

This order does not include employment: (1) In agriculture, fishing, hunting or trapping; (2) Subject to the Essential Work (Scientific and Technical Personnel) Regulations, 1942; (3) In domestic service in a private home; (4) Of students after school hours or during holidays (but does include employment during Summer Vacations); (5) In part-time work which is not the principal means of livelihood; (6) Casual or irregular employment for not more than three days in any calendar week for the same employer; (7) Under the Government of any Province.

This order does not affect Re-employment: (1) Within not more than 14 consecutive days after the last day a person worked for the same employer; (2) After sickness or disability which caused the suspension of the employment; (3) On resumption of work after a stoppage caused by an industrial dispute; (4) In accordance with a collective labour agreement which provides for preference according to length of service or seniority; (5) On compulsory re-instatement after Military Service.

Until further notice from the Director of National Selective Service or a local National Selective Service Officer, any employer may *temporarily* engage any employee, if he submits within three days to a local office an application in duplicate for the approval of such engagement. Such application shall state the insurance book number, or the insurance registration number, (U.I.C. Form 413), name, address, age, sex, occupation of such employee, the name of his or her most recent employer, and the date he or she left employment with such employer.

Penalties for infringements of this order provide for a fine up to $500.00, or imprisonment up to 12 months, or both fine and imprisonment.

This order supersedes previous National Selective Service Orders respecting restricted and unrestricted occupations.

ELLIOTT M. LITTLE,
Director National Selective Service

HUMPHREY MITCHELL,
Minister of Labour

Canada's Foreign Trade Envoys Find Varied New Wartime Roles

When Canada declared war on Germany few people were more vitally affected than the corps of eager, competent Canadian trade commissioners whose offices at that time encircled the globe. Canada had trade commissioners in nearly 40 different lands.

Today, after two and a half years of war, 11 of these offices have had to be closed. The stories of how some of these commissioners fared, their experiences, their hardships and their subsequent transfer and disposition to other jobs in the service or in Canada's war effort, is one of the most absorbing and most creditable in Canada's war effort.

Take for example the case of Yves Lamontagne, Trade Commissioner at Brussels, and now director of Commercial Relations at Ottawa and a member of the Wartime Prices and Trade Board. On May 10, he was awakened at 5.15 a.m. By seven o'clock his house had been completely demolished by bombs.

Or J. A. Langley, Commercial Attaché at Rotterdam and now at London, England. Forced to abandon his house because of machine gun fire, he and his party withdrew to the ballroom of the British Legation. Notice was received from the Admiralty that destroyers would be available to evacuate themselves and a few other British subjects from the "Hook of Holland," the journey from the Legation to the Hook is a distance of twelve miles and under ordinary conditions would have taken 30 minutes.

This time it was a three-hour trip through parachute troop infested areas, barbed wire entanglements, barricades and detours necessary in an attempt to outwit enemy bombers. Two of the party were wounded. Said Mr. Langley:

"Before getting under way, German bombers attacked us, one of the destroyers suffered a direct hit with casualties of 35. The attack on our ship was driven off by the ship's gunfire. We put out in a smoke screen, with cotton wool in our ears and everyone lying prone in the corridors or on the floor of one of the messes as a protection against splinters.

"In the distance Rotterdam could be seen lit up by an unearthly glow as its waterfront, warehouses, banks and ships of the Holland-America line burned steadily away. Nearer at hand German bombers had just set on fire oil tanks and buildings and the whole sky was soon covered by an immense pall of black smoke."

Two Were Captured

Two others, Richard Grew, Trade Commissioner at Oslo and T. J. Monty, Assistant Trade Commissioner, were captured by Germans when Norway was invaded in April, 1940. They were interned for two years, have only just been released and are now temporarily in London awaiting new assignments. J. Lindsay Mutter, Canada's Trade Commissioner at Singapore, managed to escape to Australia via Batavia and is now en route back to Canada. His associate, C. F. Noble, Assistant Trade Commissioner at Singapore was also evacuated and now has been appointed Assistant Trade Commissioner at Sydney.

In all, Canada has closed 11 offices since the outbreak of war. To offset, there has been some expansion—the appointment of a Trade Commissioner, R. P. Bower to Newfoundland, announced recently; new offices at Chicago and at Los Angeles and a new office at Santiago in charge of Trade Commissioner M. J. Vechsler whose headquarters are in Lima, Peru. Four members of the service formerly stationed at Glasgow, New York, Peru and France, have enlisted in the armed services. Four others are attached to the Export Permit Branch of the Department of Trade and Commerce at Ottawa under the direction of G. R. Heasman, formerly Trade Commissioner at London, England. Bruce Macdonald, formerly Commissioner at Berlin is Secretary of the Canadian Shipping Board and two more are attached to the Secretariat of the Shipping Priorities Committee.

WAR CLOSED THESE OFFICES

Name	Rank	History
Grew, Richard	Trade Commissioner, Oslo.	Captured by Germans when Norway was invaded on April 9, 1940, and interned in Germany until April, 1942. Both now in London.
Monty, T. J.	Asst. Trade Commissioner, Oslo.	
Macdonald, B. A.	Trade Commissioner, Berlin.	Secretary, Canadian Shipping Board.
Barre, Lt.-Col. H.	Commercial Attaché, Paris.	On loan to Rehabilitation Committee, Dept. Pensions & National Health.
Langley, J. A.	Commercial Attaché, Rotterdam.	Transferred to London, Eng.
Stark, W. G.	Asst. Commercial Attaché, Rotterdam.	Transferred to Lima, Peru.
Lamontagne, Y.	Commercial Attaché, Brussels.	Appointed Director of Commercial Relations.
Belanger, M.	Asst. Commercial Attaché, Brussels.	Transferred to Rio de Janeiro, Brazil.
Priestman, [illegible] L. E.	Trade Commissioner, Kobe.	Foreign Exchange Control Board, Vancouver.
Stewart, M. F.	Act. Trade Commissioner, Tokyo.	Interned in Tokyo.
Muddiman, A. B.	Trade Commissioner, Milan.	Transferred to Mexico City.
McLane, P. V.	Trade Commissioner, Hong Kong.	Interned in Tokyo.
Duclos, V. E.	Trade Commissioner, Shanghai.	Interned in Tokyo.
Mutter, J. L.	Trade Commissioner, Singapore.	Evacuated via Batavia to Australia. Now on recall to Canada.
Noble, K. F.	Asst. Trade Commissioner, Singapore.	Evacuated from Singapore. Now Assistant Trade Commissioner at Sydney.

WAR BROUGHT THESE JOB SHIFTS

Name	Previous Post	Assignment
Bull, F. W.	Trade Commissioner, Auckland, New Zealand.	Export Permit Branch.
Buter, B. C.	Trade Commissioner, Los Angeles, California.	Associate Secretary, Shipping Priorities Committee.
Croft, C. M.	Commercial Secretary, Tokyo, Japan.	Secretary, Shipping Priorities Committee.
English, J. H.	Trade Commissioner, Johannesburg, S. Africa.	Wartime Prices and Trade Board.
Heasman, G. R.	Trade Commissioner, London, England.	Chief, Export Permit Branch.
Scott, H. A.	Trade Commissioner, London, England.	Recalled to Canada in 1940 as Secretary, Supervisory Board, British Commonwealth Air Training Plan, and appointed Commercial Attaché, Canadian Legation, Washington, D.C., 1941.
Young, R. T.	Trade Commissioner, Mexico City.	Export Permit Branch.
Allen, S. V.	Asst. Trade Commissioner, London, England.	Asst. Commercial Attaché, Washington.
Bower, R. P.	Asst. Trade Commissioner, Auckland, New Zealand.	Trade Commissioner to Newfoundland.
Doull, A. K.	Asst. Trade Commissioner, Panama City, R. P.	Export Permit Branch.

ON ACTIVE SERVICE

J. M. Boyer	Assistant Trade Commissioner, Glasgow. Enlisted with Royal Canadian Artillery, Sept. 25, 1939.
R. G. C. Smith	Assistant Trade Commissioner, New York. Enlisted with Royal Canadian Artillery, Aug. 19, 1940.
S. G. K. MacDonald	Assistant Trade Commissioner, Lima, Peru. Enlisted with Royal Canadian Air Force, Jan. 10, 1941.
J. P. Manion	Assistant Trade Commissioner, New York. Enlisted with Royal Canadian Artillery, Mar. 1, 1942.

C. U. A. OFFICIAL

E. J. Kay, of Montreal, manager for Canada of the North British and Mercantile Insurance group, has been elected vice-chairman of the automobile branch of the Canadian Underwriters' Association.

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No More Metal Allowed For 100 Civilian Items

By STAFF WRITER

OTTAWA.—The use of any metal (except gold or silver) in the manufacture of 100 specified consumer goods is banned after June 13, according to an order issued by D. P. Cruikshank, Coordinator of Metals, Wartime Prices and Trade Board.

Stocks of such metals or alloys which are processed to such a stage that they cannot be used in the manufacture of any other product may be used only up to July 31, 1942.

The new list supplements an original ban which went into effect April 29 and contained some 90 items. Processing or assembly of items named in this first order must be completed by June 30, 1942.

A third and final order, covering additional goods for which metals may no longer be used, is expected to be issued later.

The items banned as at June 13 are:

Atomizers—perfume-boudoir.
B-B shot for air rifles.
Beverage service sets.
Binoculars—except government.
Biscuit boxes.
Blackboards.
Book ends.
Building ornaments.
Cake cutters.
Cans or containers for:
Coffee, edible nuts, pet foods, talcum powder, face powder, tooth powder.
Candlesticks.
Carving set holders.
Ceilings.
Clothes line pulleys.
Compacts.
Container caps, double or semi-double shell.
Corn poppers.
Croquet sets.
Curb guards.
Dispensers, for hand lotion, soap, straws.
Door knockers.
Door closers (except for fire prevention as required by underwriters).
Door stops.
Dress forms.
Egg slicers.
Enamel building fronts.
Finger bowls.
Fish aquaria.
Floor and ceiling plates for piping.
Frames, handbag, purse and pocketbook.
Hair curlers.
Hand mirrors.
Hangers, rings on brushes, brooms.
Hangers and track for garage doors for private use.
Hat frames.
House numerals.
Ink well holders.
Jam boxes.
Jelly molds.
Laundry chutes.
Letter chutes.
Letter openers.
Lighting poles and standards.
Lipstick holders.
Mail boxes—except as required by Canadian Post Office Department.
Mailing tubes.
Manicure implements.
Marine hardware, pleasure boats.
Match boxes.
Menu holders.
Millinery wire and gimps.
Mop wringers.
Napkin rings.
Ornamental hardware, moldings.
Outdoor fireplace parts.
Packing twine holders.
Paint spray outfits—except industrial.
Paper rollers—household.
Parcel handles and holders.
Pen holders.
Permanent wave machines.
Pet beds.
Pet cages.
Pet dishes.
Pleasure boats.
Pneumatic tube delivery systems, except repairs.
Polishing-wax applicators.
Powder, rouge and vanity cases.
Radio antennae poles except government.
Rotary door bells.
Salesmen's display cases, sales kits.
Salt and pepper shakers.
Salt and pepper holders.
Sample boxes.
Screen frames, except industrial.
Scrubbing boards.
Shirt and stocking dryers.
Shoe cleaning kits.
Shower receptors, except frames.
Show window display equipment.
Sign hanger frames.
Sign posts.
Sink aprons and legs.
Sink drainboards (except two types integral).
Ski racks.
Sugar holders.
Table name-card holders.
Teapots.
Telescopes—except government.
Thermometer bases, household.
Tile.
Tongs, food-handling and household use.
Tool boxes—except industrial.
Turnstiles.
Water color paint boxes.
Wheelbarrow—except wheels, axles.
Wine coolers, except industrial.

Minnedosa Has Refunding Plan

Support of debenture holders of the Town and School District of Minnedosa, Man., is being sought for a new debt refunding plan.

Under the terms of the plan the debenture indebtedness of the town and school district are to be combined and assumed by the town. Arrears of interest as at June 1, 1941, will be settled by a cash payment of 25% of such interest. Interest from June 1 to Dec. 1, 1941, will be paid on the combined debt at the rate of 4½%. Debt will be reduced by a cash payment to debenture holders of $39,650 and new 4½% 25-year refunding debentures will be issued to the amount of $60,000, the balance of the combined principal debt.

The plan also provides that supervision of the financial affairs of the town and school district will continue under the Municipal and Public Utility Board Act for five years commencing Jan. 1, 1942.

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Auto Supply Holding Steady

Dealers Have Supply For Which, No Permits Are Necessary

The very sizeable supply of brand new and used cars to whose sale there are no strings attached and which can be bought by the first comer is not going down very fast.

There appears to exist a general, wide misunderstanding of the new car situation in Canada, a misunderstanding that apparently does not recognize the two different classes in which new cars have been put.

First class is the government pool consisting of some 4,000 cars. These cars have been set aside for essential services such as police, fire, doctors, etc. An important point to note is that even if he is on the eligible list a man cannot buy one of these pooled cars unless he has exhausted every other source of supply and can prove that his present vehicle is beyond repair.

The pool is really designed to guard against any contingency that might arise should the present supply of cars become exhausted. It is insurance for the future and not basically for present use.

Dealers' Cars

The second class of new cars is those now in dealers' hands; cars which they have carried since production was stopped this spring. Dealers generally report that sales of these cars are very slow. That fact is partially attributable to the apparent general belief that all new cars are in the pooled category and that a buyer has to be in the essential class before he can get one.

Such is actually not the case. While some models have been sold out in some cases there are no more encumbrances on buying these new cars than in peacetime. Fear of more drastic gasoline and tire rationing has also played a part in hitting sales of new cars.

Meaford, Ont. has a 1942 tax rate of 42 mills, 3 mills lower than last year and the lowest in over 20 years. This represents a decline from the 1933 rate of 56 mills when the town's financial condition made necessary the adoption of a pay-as-you-go policy. Debenture debt has been reduced to $47,508 at Dec. 31, last.

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There must be no let-down — no half-hearted effort — no blind ignoring of facts in the job confronting us. *We must win this war!* No sacrifice is too great, no task too heavy — if through us the heritage of Freedom can be preserved for the Canada that is to be.

And the war is not being fought in the front lines alone. Here at home, management and labour, shoulder to shoulder, are accomplishing amazing feats of production. The "tools" *are* being given.

Wires and Cables of every type are being supplied in vast quantities by Northern Electric Power, light, communications — vital essentials to navy, army, air force and allied industries — are being carried over wires and cables whose peace-time development has been tremendously expanded into war-time production. It is understandable then, that the production and delivery of wires and cables for other-than-war needs must be considered of secondary importance as long as the present conflict lasts.

WORKING FOR VICTORY AND SAVING FOR VICTORY!

Pictured on the left is Miss Annie K. Jones, one of our long service employees in the wire and cable division. Miss Jones is one of the thousands of us Working for Victory through all-out War Effort and — Saving for Victory through continuous and regular purchases of War Savings Certificates

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